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THE FINANCIAL POST

The Canadian Newspaper for Businessmen and Investors

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The Nation's Business

Why Some Support Family Allowances

Prime Minister King has told his story about family allowances and the opposition has started to voice its objections.

Significantly enough, the family allowance measure has the enthusiastic support of some of the outstanding nonpolitical officials of the government; of men who, for the most part, hold the confidence of business generally.

To these people, The Financial Post has gone to get the reasoning behind the family allowance plan, and elsewhere in this issue an article sets forth their views.

What, then, are the pros and cons of the issue when separated from the clash and clatter of partisan debate? Here is how the family allowance scheme is seen by the official group referred to above.

Very briefly, there are two phases to the argument of these family allowance proponents.

One is the social, the view that Canada's children are her greatest asset.

Two is the economic, the view that family allowances are a neat device for stimulating purchasing power, hence for stabilizing employment after the war.

To develop the economic argument, which is being put forward in these Ottawa circles, a little further:

Postwar full employment is estimated to involve jobs for about 4.7 million people, one million more than in 1939 and volume of production perhaps 60% greater than pre-war.

There are three chief ways to do the job: Vastly increase our pre-war export level, launch vast building projects with public and private funds, increase the level and pace of domestic consumption.

Our export enthusiasms and policies may be favorable, but success of those policies depends on other nations being equally disposed to trade with us, and particularly if they and we find a mutually advantageous form of payment.

Building projects — capital development — involve public and and private spending. To raise the level of capital spending by private interests, the Ottawa advisors are saying that incentive for such spending and risk-taking must be restored.

RAPS CORPORATION TAXES

Important in this connection is a tax policy of encouragement, rather than discouragement. One Bank of Canada official recently declared in this connection: "Any real attempt after the war to encourage risk-taking capital expenditure must seek to remove the discrimination against it which is involved in taxing corporate income as such."

But, it is estimated by these advisors, foreign trade plus an optimistic view of private spending plus sound public works spending will still be far from adequate to meet the needs of a full employment economy.

The third means of helping Canada achieve the full employment goal, it was pointed out, is reducing the community's propensity to save money and increase its spending.

To help in that job, these advisors claim that family allowances are a promising device. The "baby bonus" money they see being almost entirely and immediately spent on consumer goods and services thereby helping maintain a high level of business activity, hence employment.

Again to quote a Bank of Canada official:

"Social security payments would provide more total manhours of employment than the same amount of expenditure on public investment. Put in another way, social security payments cause a more marked redistribution of income than public investment expenditure and therefore do not have to be initiated on as large a scale in order to promote a given increase in aggregate spending.

"From most points of view, social security would appear to be more consistent with the maintenance of a predominantly private enterprise economy than public investment on a very large scale.

"Even if social security were more disturbing to business than large-scale public investment, this would not likely outweigh the other considerations which indicate that social security would provide more total employment per unit of financial cost."

There are additional arguments being advanced for family allowances at this time, one of which is that they will reduce pressure on the wage ceiling, help bolster our whole stabilization program.

There, briefly, is the economic argument which some Ottawa advisors are advancing for social security payments of which the family allowance bill is the current manifestation.

But among some very serious questions about this particular form of social security payment which may well be asked at this time are these:

The net cost of the family allowance plan not including its administration is estimated at around $200 millions. On our entire educational system, built up over centuries, Canada is spending only around $150 millions.

PRESENT WELFARE MACHINE INADEQUATE

Surely the social aims of the family allowance scheme will be poorly served indeed with our present educational and other child welfare machinery. Surely this machinery must simultaneously get enormous expenditure and swift development if the benefits of the family allowance plan are to be realized. This would seem to mean, therefore, that alone the family allowance plan will largely fail of its social purpose and, if it is not to fail, Canadian taxpayers must rescue it with further vast yearly expenditures on a greatly enlarged and extended system of what Dr. Charlotte Whitton aptly terms, social utilities.

Another serious question to ask is the practicability and efficiency of a nation-wide scheme of this magnitude in a field now tangled with constitutional questions. The failure of Ottawa to consult with the provinces about overlapping payments such as mothers' allowances may present some very serious and costly difficulties.

It will not be at all surprising to see one or more provincial premiers refusing to do anything to let Ottawa police the expenditure of family allowances. The bill provides, where officialdom finds family allowance money being improperly spent, that the money would be paid to some official guardian or agency. But these agencies are provincial and the history of provincial co-operation in enforcing rules made by Ottawa is bad.

A further aspect of the administrative problem is the fact that it will doubtless involve another nation-wide set of government offices. At what probable cost, there has so far been no intimation. But the paper work involved in getting cheques out to every little Johnny and every little Susie in the Dominion and seeing that they get a different sized cheque as they pass different birthdays would seem to us a problem that would give pause to the most confident bureaucrat.

Surely the desirable results, both economic and social, which the protagonists claim should ensue from family allowances, can be secured by some means promising fewer administrative and constitutional problems; promising more hope of achieving positive social results.

Subsidiary Firms Get Tax Credit

Budget Change Means Tax Paid Abroad Equalized With Canadian Level

By STAFF WRITER

OTTAWA. — When the budget resolutions finally passed the House of Commons last week, they were identical in all but two sections with the resolutions introduced with the budget itself and printed in Votes and Proceedings for June 26. The two changes are in Resolution 27 on Income Tax, and Resolution 8 on Excess Profits Tax.

Income Tax Resolution 27 originally provided "that dividends paid by a wholly owned subsidiary nonresident company to a Canadian parent company be exempt from tax when received by such company." Object of this provision was to avoid double taxation—the dividends of the subsidiary would be subject to tax in the country in which the subsidiary operated, and it was thought they should not be retaxed in Canada.

Given Tax Audit

However, members pointed out during the debate that this might in some cases represent a considerable tax relief, if the tax on the subsidiary in its own country were substantially lower than Canadian corporation income tax. It was decided therefore to give the subsidiaries not a tax exemption but a tax credit, equal to the amount of taxation paid abroad. Thus if the tax paid abroad is less than the Canadian tax, the company will still be liable here for the amount of the excess.

Text of the new Resolution 27, which may be found in Hansard for July 19 at page 5,148, is as follows:

"27. That the provision permitting a taxpayer to deduct from tax the amount paid to any foreign country for income tax in respect of income of the taxpayer from sources therein be amended to permit a Canadian parent company to deduct from tax the amount paid to a foreign country by a wholly owned subsidiary company with respect to that portion of the profits of the subsidiary company which are deemed to be paid by way of dividends to the Canadian parent company in any taxation year, dividends being presumed to be paid by the subsidiary company from profits most recently earned."

Resolution 8 on Excess Profits Tax, the other amendment, originally read as follows:

8. That the standard profits be adjusted upward to the extent of 5% of the increase of the capital employed at the commencement of the 1944 taxation period over the capital employed—

(a) at the commencement of the 1939 taxation period; or

(b) at the commencement of the first fiscal period after 1939 in respect of the taxation of the profits of which the Board of Referees have determined standard profits:

Provided that such increase in capital employed shall be reduced by the amount of any increase in

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—Photo by Karsh

CANADA'S WHEAT BOSS

One of the biggest wheat dealers in the world is George McIvor, a solidly built and straightforward westerner, who is chairman of the Canadian Wheat Board and, as an added wartime responsibility, chairman of the Cereals Committee of the Allied Combined Food Board. Dealing in millions of bushels of wheat is an old story to Mr. McIvor. He was in charge of an elevator for the McLaughlin Grain Co. before he was 20, has spent 30 of his 50 years in the wheat business, gaining much of his early experience and training with the western wheat pools.

Contractors Will Build 50,000 Veterans' Houses

Soldier Settlement Board Buying Land, Materials for 3,000 Units in 1945 — Not Moving Into Building Business Says Director

By STAFF WRITER

OTTAWA.—Local contractors — not Wartime Housing Ltd., or any other Government building agency —will execute the bulk of the Soldier Settlement Board's postwar house building on which a start will be made in 1945, according to G. Murchison, director of the Soldier Settlement Board.

"We're not going into Government operation in the construction field unless we absolutely have to," Mr. Murchison said.

By a recent order-in-council the Soldier Settlement Board was authorized to spend up to $2.5 millions buying basic lumber for the housing developments envisaged under the Veteran's Land Act. Eventually it's expected about 50,000 houses will be built under this scheme. In 1945, the plan is to put up about 3,000 units.

Other Stock Piles Too

Mr. Murchison said other basic materials like cement, tiling, pipe, metal shingles and so on might also be purchased by the Board during the balance of this year. It was a matter of using the Board's priority status to obtain adequate supplies of scarce material. But this acquisition of stock piles did not, he said, imply any plans for direct Government operation. He had it in mind to feed out the materials thus acquired to local contractors as they might need it.

Lumber was being acquired first to make sure it would be seasoned by the time it was required, instead of resorting to the emergency measure of putting green timber into dwellings.

$3,000—$4,000 Units

As to the kind of dwelling that will be available for selection by the returned man, Mr. Murchison said about 20 designs would be prepared by the Soldier Settlement Board with the co-operation of the National Housing Administration. Actual preparation of plans and specifications would be done by the Housing Administration and by leading architects throughout the Dominion; some steps to this end have already been taken.

Although "a reasonable field of choice" would be available to the returned man, Mr. Murchison recalled that the Veteran's Land Act provides a maximum of $4,800 for land and buildings in the semi-urban dwelling which is expected to constitute the bulk of postwar building for the returning soldier. Allowing say $800 for the land, this

(Continued on page 2, col. 3)

More Beer Seen Likely By This Fall

Malt Supply Improves —Will Permit Increase In Production at Early Date

From Our Own Correspondent

MONTREAL. — Although there has been some improvement in supply of beer available for domestic use this summer, as compared with last year, due to the brewery industry's present unified policy of close control over exports, no very appreciable addition to the supply can be expected until the hot weather is over. For the later months of this year, the beer supply situation may be more favorable.

The major factor limiting beer sales in the Canadian market has been the shortage of malt. Demand for malt is at record levels, due to continued shipments of beer to military forces overseas as well as the unprecedented domestic demand.

Some time this fall, probably in September, a $500,000 addition to the Montreal plant of Canada Malting will be completed, and this will give some help on the major raw material shortage problem — the available supply of malt. The latest addition to the Canada Malting plant will increase capacity by about 800,000 bushels, or around 10% over present.

Malt Output Up Sharply

An indication of the tremendous expansion in beer production in Canada in recent years may be deduced from the fact that plant capacity of Canada Malting alone has been increased since 1939 (with latest addition included) by over 2 million bushels, which figure represents no less than 40% of this company's pre-war output.

Although the malt shortage has been the chief factor in preventing any important increase in beer production from present levels, other shortages that have caused concern at various times have been available supplies of bottles and bottle caps. Campaigns soliciting return of empty bottles have helped ease the bottle supply situation, and improvement in the shipping situation to permit larger imports of cork have helped with the bottle-cap problem. The metal used in bottle-caps has been, for some time, thin steel plate, early resorted to as a substitute for tin.

Women Workers in Breweries

Manpower shortage problems in the breweries have been met with reasonable success by increased employment of women in packing, bottling and all lighter tasks, with only the heavier work still of necessity left to men only. The change-over to increased women employment has been going on steadily for several years.

Present record production of beer in Canada is well in excess of normal domestic needs, and if diverted entirely to domestic consumption would go far in meeting even present increased home demands. The continued shipments overseas, under British Government order, to supply military forces in the Mediterranean area, have been a special drain on available Canadian sup-

(Continued on page 2, col. 3)

Sky Is CCF Limit In Farm Tool Plan

Saskatchewan's Proposed Department of Co-operatives Would be Ready to Give Project Every Aid — Premier Douglas

By STAFF WRITER

OTTAWA. — Western co-operatives are negotiating to buy a small farm implement factory now, and after the war have hopes of going into the implement business in a bigger way, Premier T. C. Douglas, leader of Saskatchewan's CCF Government, told the press during a visit to Ottawa this week.

Asked by The Financial Post to elaborate on the co-operatives' plans for implement manufacture, Mr. Douglas said the western movement had plans on foot before the war for purchase of factories from various implement companies. Onset of war and war contracts had suspended these negotiations, but he expected they would be resumed. Meanwhile the co-operatives were buying one small plant now available, which would manufacture lighter implements like harrows, etc.

Close liaison would be maintained with the co-operative movement in the United States, which already has a plant in Montana and also looks forward to postwar expansion.

Ready to Help With Money

How much direct assistance the CCF Government in Saskatchewan would give to this co-operative venture was a matter for the future to decide, he intimated. His government proposed to create a department of co-operatives and co-operative development, the minister had already been named, Hon. L. F. Mackintosh of Prince Albert, and the legislation creating the department would be introduced at the emergency session of the Legislature which he is calling this autumn.

But Premier Douglas emphasized that the co-operatives' plans are to a large extent their own. Harry F. Fowler, who he described as "the moving spirit in oil co-operatives in the West," had been put in

(Continued on page 2, col. 7)

To Sell Product Of U. S. Co-ops?

Executives of farm implement manufacturing companies tell The Financial Post they expect the initial effort of the western co-operatives will boil down to plain merchandising and that the product to be handled may be that of the affiliated U. S. co-operatives, already producing. There are, they say, no farm implement factories in Saskatchewan. A small plant near Winnipeg may be the one in which the western co-operatives are immediately interested, it is suggested.

Opinion is that patent and manufacturing rights won't necessarily stymie the move; that rights can be secured along with plants, just as Premier Douglas says is the intention. But it is claimed co-operatives can't build farm equipment as cheaply as private industry. Subsidy appears inevitable, it is felt.

Nub of the question is taxation, implement men state. In the days of 15% corporate income taxes the co-operatives were unable to compete against private industry's efficiency. Present heavy taxes might turn the advantage to the tax-free co-operative producers.

Dom.-Prov. Conference Hinges on Election Date

Timing Indefinite But Officials State Large Amount of Preliminary Research Already Accomplished Despite Ontario's Absence

By STAFF WRITER

OTTAWA.—Considerable annoyance has been caused here by Premier George Drew's charge on the radio last week that "in spite of repeated letters and public requests" from himself for a Dominion-Provincial conference, "no conference has been called and the Province (of Ontario) has no idea whether one will ever be called."

Officials here point out that actually the calling of a Dominion-Provincial conference "at a date to be agreed upon" was announced months ago. It is true no date has yet been agreed upon. However, a tremendous amount of preparatory work has been done—with Ontario's knowledge, although without Ontario's assistance, they claim.

Depends On Election

Date of the Dominion-Provincial conference depends on the date of the federal election. Preparatory work has been carried on upon the tacit assumption that the conference would be called this September, but if a federal election is to be called for October or November, it is pointed out that it would be obviously futile to hold the conference at the time formerly intended. If an election should be called, the conference is off until next spring they told The Financial Post. If not, the existing schedule will probably be followed if the provinces are agreeable.

Basic reports will be ready by September on the three main fields of the Dominion-Provincial agenda:

1. Encouragement of private industry.
2. Public investment, i.e., public works programs, etc.
3. Welfare and social service projects.

If the conference is then postponed, work will be continued on the preparation of further, detailed reports for the use of delegates to the Dominion-Provincial discussions. A full-time staff of about 30 people, some "on loan" from various departments and some engaged for the purpose, is employed on this preliminary work, not counting about 30 more who are devoting their full time to similar activity inside the various departments, and a dozen or so provincial officials who have been here intermittently since early last spring.

These provincial officials include

(Continued on page 2, col. 4)

Officials Fumble Boat Safety Law

No Effective Enforcement Safety Regulations Under Present Setup

Recent lake tragedy at Port Stanley, in which the overloaded motor launch "Olga" capsized, with a loss of 17 lives, accentuates the fact that, while there are adequate provisions in the Canada Shipping Act to guard against such mishaps, the means of enforcing them are so weak as to be practically ineffectual.

With shipping a federal responsibility, the brunt of enforcement falls on Customs Department officials, whose other duties and whose numbers prevent them from doing this particular job effectively.

Provisions Strict

There are strict provisions in the CSA governing operation of motor-operated vessels, especially those for hire and passenger carrying. It is provided, for instance, that:

Registration and Licensing—

Ships over 10 tons must be registered, those under 10 tons, unregistered, must be licensed. Licenses not issued annually, but for an indefinite period.

Inspection—

All vessels other than those under 5 tons, or pleasure yachts not equipped with boilers, must undergo an inspection annually.

Operators—

All vessels, including those between 5 and 10 tons engaged in passenger carrying business, must have a fully qualified master and engineer, although the operator may act in the dual capacity of master and engineer, if fully qualified.

Life Saving Equipment—

Vessels must carry adequate life saving equipment, including life belts, lifebuoys, etc., which must be tested regularly.

Fire Fighting Equipment—

Vessels must carry fire extinguishing apparatus, including a container of pyrene, a container of some approved foam, placed at opposite ends of the ship, and also a box of sand, with a bucket and scoop.

Seating Accommodation—

Vessels cannot carry more passengers than can be accommodated by the ship's seating arrangements, nor can passengers move around on ship board, or ride on top of cabin or wheel house top.

Would Remove Hazards

From the foregoing it can be seen that, set out in the Canada Shipping Act, are regulations which, observed to the letter, would remove most of the hazards from such trips as the one that ended so disastrously for those aboard the "Olga."

That the regulations were almost completely flouted in the case of this ill-fated launch is borne out by the report of the investigating commission, headed by Mr. Justice F. H. Barlow, and tabled in the House of Commons by Transport Minister Michaud. This report laid the tragic occurrence at Port Stanley to the "gross negligence and the incompetency" of the operator of the launch who had, charged the commission report, "disregarded all safety regulations."

With the summer season in full swing, and the certainty that countless holidayers will seek to while away a few hours in brief but pleasurable excursions such as the motor launch "Olga" set out upon, much interest attaches to the regulations themselves, as well as to the means of enforcing them.

The regulations are strict enough but, according to shipping authorities, the weakness is that under the present setup, their observance is left pretty well to the individual operator, especially where the smaller type vessels are concerned. Customs officials, backed by the RCMP, enforce the act, a system that leaves many loopholes.

That is why it was possible for the operator of the motor launch "Olga" to set out upon his ill-fated trip, according to the Barlow Commission report, with a heavily overloaded vessel, without proper qualifications either as a master or an engineer, with no proper or adequate life-saving or fire-fighting equipment and ignoring customs regulations and every applicable section of the Canada Shipping Act.

As far as insurance for owners of smaller vessels is concerned, it is difficult, it is claimed, to assess its effectiveness where the owner of the vessel has broken the regulations. Most marine policies are stated to be predicated on the freedom from fault of the insured owner. Where the owner has broken the regulations and loss has resulted, there is a strong possibility that his insurance would not cover the loss incurred.

Improvement Difficult

Men who understand shipping admit the gravity of the situation, say that under the existing setup they don't see how it can be cured.

The difficulty is that shipping, as decreed by the British North America Act, is a federal responsibility. Enforcement of regulations is partly a responsibility of the Customs Department. Local authorities can enforce them but will have nothing to do with it. There are stringent regulations in the CSA regarding the registration of larger ships, and the licensing of smaller ones. This applies to inspections as well.

Smaller vessels of the passenger-carrying type must, according to the Act, be licensed and undergo annual inspection. Vessels not in excess of five tons, and pleasure yachts propelled by mechanical power but without boilers, do not have to undergo an annual inspection; but others do, especially motor launches such as the "Olga," engaged in the passenger-carrying business.

Such ships, those under 10 tons,

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Dangerous Case Cited by Church

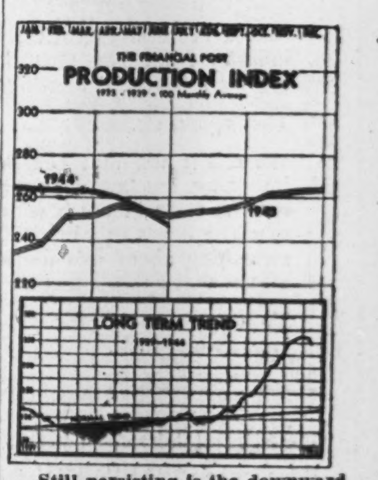
Typical of the dangerous state of shipping affairs alleged to exist in Ontario inland waters was the case cited in the House of Commons Friday last by T. L. Church, Progressive Conservative member for Broadview-Toronto.

Mr. Church asked speedy action on a matter referred to him by the clerk and treasurer of a summer resort near Lindsay, Ont. A letter from this official said that a 30-foot launch often carries 25 to 27 passengers on pleasure trips —"It is really dangerous and everyone experienced on these waters lives in dread of a bad accident due to overloading."

The launch in question, said Mr. Church, had no certificate. He said the Minister of Transport had the power to stop sale of gasoline to such boats if "they have not the certificate or safety aids required by the minister."

Munitions Minister Howe said he would confer with the Minister of Transport, to "determine if any action is necessary."

Pace of Business



Still persisting is the downward movement of the production index. From its all-time high of 264.1, reached this February, it has dropped steadily. June's two and a half point drop brought it to 248.5, six points below June, 1943. Manpower and materials are probably the key to the drop: war's demands are finally overbalancing the power of the economy to expand. Underproductive labor, machines worn out after nearly five years of accelerating production and small replacement, apparently cannot keep up the pace set by the economy at its peak.

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L. R. Brooks Appeal Fails

But Deportation Order Case Continues in Ontario Courts

The Department of Justice has dismissed an appeal of Lionel R. Brooks against the immigration department deportation order issued by Inspector Jas. L. Malcolm, head of the Toronto immigration branch.

Mr. Brooks has now carried his case to the Ontario courts with a hearing scheduled in weekly court at Osgoode Hall, July 27 at 9.30 a.m.

Associated with mining stock promotion in Toronto, Mr. Brooks is moving for an order quashing the deportation order issued by the Department of Immigration.

Asks Restraining Order

In making application to the Ontario courts, Mr. Brooks takes issue with the Immigration Department claim that he was a "prohibited person" at the time of his entry into Canada, and asks an order prohibiting Jas. L. Malcolm and other immigration department officials from enforcing their deportation order.

It is claimed in the deposition made at Osgoode Hall:

1. That Jas. L. Malcolm has no jurisdiction to make the deportation order.

2. That Lionel R. Brooks is a person possessing Canadian domicile and is therefore not subject to deportation.

Beer Supplies To Be Higher

(Continued from page 1)

plies, during the last few years. Shipments overseas this year have been kept at about the same level as last year, although the military authorities would like to get increased amounts if the Canadian industry would be willing to supply demands.

Since the middle of March, however, when Dominion restrictions on domestic sale of beer were lifted, every effort has been made by the industry through the Dominion Brewery Association to provide the maximum possible amount of beer to meet domestic needs. One step has been to eliminate entirely export of Canadian beer, except that on Government order for military use. Other measures taken have been working out of a rationing system on deliveries, to assure equitable distribution of available supplies, both to military forces and to various parts of Canada for domestic use.

50,000 Houses Industry's Job

(Continued from page 1)

means a maximum of $4,000 for the house—and many veterans, it's assumed, will want to borrow less than the maximum allowed by the Act.

"We don't propose to follow slavishly any one design, nor do we intend either to outrage neighboring property values by excessive margins of improvement nor to depress them by putting up cheaper and poorer dwellings in the neighborhood," said Mr. Murchison. "We'll give the returned man his pick of about 20 sets of plans and specifications, or he can use his own provided they meet our standards. But on a broad average, we count on that range of between $3,000 and $4,000 as the standard price, and that pretty well defines the general type of the houses."

Lumber, it was brought out at a recent Toronto meeting of the Ontario Retail Lumber Dealers' Association president's emergency advisory council, will be bought for stock piles at retail instead of direct as originally planned.

Ontario retailers are offering a 5% discount from retail price lists.

In addition they have appointed a committee headed by D. Kemp Edwards, Ottawa, to meet with Director Murchison and advise him that the retailers in addition to the discount will be absorbing insurance and storage costs of the stock piles.

Famous Players Canadian Corp. is reported to be planning postwar construction of theatres in the Eglinton and Bloor West districts of Toronto, and in other Canadian centres, plus a new building in Toronto to house executive offices and exchange.

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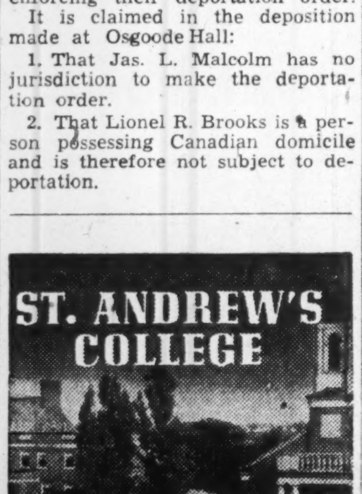

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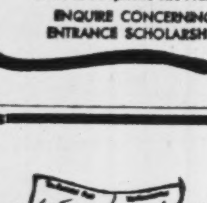
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Baby Bonuses for Full Employment

Ottawa Economists View it as Primarily an Economic Instrument

By STAFF WRITER

OTTAWA.—Opening day of the debate on family allowances brought out nothing which had not been canvassed and recanvassed by the Government itself before the measure was ever brought down or even announced. Indeed, a good many points—cons as well as pros—were left untouched in the initial speeches.

On the con side, little stress was put on Charlotte Whitton's basic argument that an increase of cash income is no substitute for what she calls "social utilities" which, in many parts of Canada, simply aren't available at any price.

Dr. Whitton cites, for example, health and educational facilities in rural areas as poor, inadequate, sometimes virtually nonexistent. Putting more cash in a parent's pocket will not correct this lack, she claims. Dr. Whitton lays heavy emphasis on the fact that total annual outlay on public education in Canada is only $130 millions, and the family allowance scheme proposes to spend nearly twice that.

The Constitution Again

In preliminary discussions, government experts conceded a good deal of force to this Whitton argument. They countered it, however, with two considerations which they thought should outweigh it.

First, if the family allowance scheme is somewhat doubtful constitutionally, the "social utilities" aren't even doubtful—they're provincial, pure and simple, and no early rearrangement of constitutional powers is likely to alter that.

Second, even if it were constitutionally feasible, development of a social welfare program in proportion to the family bonus scheme might take 20 years, and from the economic point of view they say Canada simply can't afford to wait.

This brings up a "pro" argument on which relatively little stress was laid in early Liberal speeches, although the Prime Minister did mention it. Some of the Government's top-flight advisers were sold on family allowances, not solely or even primarily as a social welfare project, but as a means of supporting national income and the home market for consumer goods.

Briefly, the economic argument for family allowances as it's accepted among the Government's financial advisers might be summarized thus:

So-called "full employment," that is, jobs for those willing and anxious to work, will probably mean finding work for 4.7 million people after the war, a full million more than the 1939 figure, and a volume of production 50% above the pre-war mark.

To achieve this, three essentials are exports, capital development at home, domestic consumption.

More Purchasing Power

The first two, although everything possible should be done to encourage them including reform of our tax system, may not, on the record, provide a full solution to the problem of employment. Export markets fluctuate wildly under influences beyond Canadian control. Capital development cannot be expected to absorb the full amount of Canadian savings. Therefore the Government must attempt to cut into the propensity to oversave, by direct measures to increase the propensity to spend on consumer goods. The best way to do this, it's maintained, is to distribute purchasing power among those who need it most, parents whose income is below the taxation brackets.

Officials here are convinced that distribution of purchasing power through the device of family allowances will achieve most for the national economy with the least waste. Ordinary public works projects involve tremendous waste, in so far as they are considered as welfare measures it is felt, and only a small percentage of the amount spent reaches the people in need.

Family allowances, they argue, will go wholly to people who need them, and almost wholly to consumption spending.

Stopping Unwise Spending

It's recognized of course, that some family allowance money will be "wasted"—spent on undesirable purchases, on pleasure, on drink. But flagrant examples of this can be stopped by the power left with the Government of suspending payments in such cases, and in any event it's believed the actual percentage of such waste would be small.

In the main, the Government is confident that the money will go directly or indirectly for the benefit of the children.

An illustration or indirect benefit is housing. It's claimed that private enterprise can't provide adequate housing for low-income families at rents they can afford. There would, therefore, be tremendous pressure on the Government to go into the construction business directly and on a vast scale.

Family allowances, by helping the low-income family man on a scale proportionate to his family's size, would help to solve this rent problem and perhaps prevent the virtual socialization of the building industry.

The "national unity" argument, raised by opposition leader Gordon Graydon when he suggested a disproportionate amount of this outlay would go to "one province," i.e., Quebec, is answered by civil servants with a reminder that Quebec hasn't very many more young children than Ontario. The figures for children under 14, from the last census are 1,043,000 for Quebec, 894,000 for Ontario.

Another important point, of course, is that the family allowance system has in effect been the basis on which soldiers' dependents' allowances have been paid. In contrast to normal conditions, the allowances have adjusted dependents' incomes in ratio to their responsibilities—not solely on the basis of the "earning power" of the soldier concerned. It is felt that family allowances may be demanded by those who have been receiving soldiers' allowances.

One thing that is not being claimed by even the strongest proponents of the allowance scheme is that the $250 millions of transferred purchasing power will, of itself, solve the question of full employment. It's hoped that the plan will do a constructive job of smoothing the employment and national income curves, but it's not claimed that it can do it alone.

See CCF Gaining Strength In Alberta Election Fight

From Our Own Correspondent

EDMONTON. — Fanned by outright accusations, insinuations and camouflaged attacks among the four parties contesting the Alberta election, the pre-vote campaign is raging fiercely, in what appears here to be the most provoking contest since 1935.

The CCF has been accused by the Social Crediters of bringing in outside speakers and "storm troopers," while the CCF accuses the government of affiliation and friendliness with the nationalistic Bloc Populaire in Quebec and of anti-Semitism.

The Independent party, declaring itself to have no political affiliations, is chastising both the Social Crediters and CCF, and is urging the people of Alberta to do away with the "heaven on earth" promisers in both parties.

The Labor-Progressive party, which acknowledges it can't win the election, but hopes to elect "several" candidates, says the other parties are adopting slogans and platform planks adduced by the Labour-Progressives more than a year ago.

And so it goes, and with nomination day July 29, there already are 173 candidates nominated for the 57 Alberta seats, with still more to come. Social Credit now has 55 in the running, CCF, 56; Labor-Progressives 27; Independents 31; and four are running on individual tickets.

Just what the result of the election will be after citizens go to the polls Aug. 8 becomes more and more difficult to ascertain. At first it looked as though the Social Credit government of 35-year-old Premier Manning would go in without a doubt. Now, after campaigning, some of the government supporters are going around with glum faces, indications of the strength of the CCF, organized like a war machine. The socialists aren't missing a trick, and their propaganda has been flooding the province.

All parties have been given an equal amount of free radio time on Alberta stations and networks. Newspapers—no matter what their editorial policies are—are unbiased in their news columns. The election is drawing the interest of Albertans as never before, and it is clearly recognized it's a two-way fight between the monetary reform advocates and the socialists.

The CCF already has declared flatly when elected, one of its first jobs will be to take over the Calgary Power Co. It also plans to make rapid expropriations of Alberta's natural resources and other physical weath.

Dom.-Prov. Meeting

(Continued from page 1)

none from Ontario, it is stated. Last February, each province was asked to designate a senior Treasury official who would help prepare statistical and financial data in an agreed-upon standard and comparable form. Eight Provincial Governments did designate such an official; Ontario did not, The Post is told.

A long correspondence between Prime Minister King and Premier Drew, some of which was tabled in March, failed to get anywhere—Ontario is still unrepresented on the technical staff which is seeking to get federal and provincial figures into comparable shape.

In answer to federal requests, Ontario has sent various financial statements to Ottawa, mostly extracts from published balance sheets. They have been acknowledged with thanks, but in fact are said to have been of little use except to point up the need for such preliminary discussions among technicians. Officials here say they have no way of knowing precisely what the Ontario figures mean. This is the very situation which these preliminary efforts have been designed to avoid, they point out.

Information here is that Premier Drew, meanwhile, has been circularizing the other provinces and is preparing a set of figures of his own. It is the conclusion here that if parties to the Dominion-Provincial debates come armed with figures which are not comparable, owing to variations of terminology or accounting systems, endless time will be vainly spent on wrangles which won't and can't get anywhere, because the arguments will proceed from different premises altogether.

Tax Credit for Subsids.

(Continued from page 1)

capital employed accompanied by an equivalent increase in capital stock on which an adjustment of 7.5% has been made to the standard profits as already provided in the Act.

It was suggested that if a company were to reduce its surplus by paying dividends in excess of earnings for the period, the benefit of this increase of standard profit should be reduced accordingly. The Government accepted the suggestion and the resolution was amended by adding thereto the following provision (Hansard July 19, page 5,213):

"Provided that, if the capital employed at the beginning of any fiscal period ending in 1945 or a subsequent year is less than the capital employed at the beginning of the 1944 fiscal period, the standard profits may be reduced by an amount equal to 5% of the reduction in capital employed, but not to an extent greater than the previous upward adjustment made under this provision, dividends being presumed to be paid from profits most recently earned."

In addition to these changes, three other matters were taken under consideration by Finance Minister Ilsley and Revenue Minister Gibson, the understanding being that if it were deemed advisable to give effect to the suggested changes, the amendment would be made in the bills themselves. First item for reconsideration was in the matter of exempting medical expenses from income tax; suggestion is that appliances such as artificial limbs, hearing aids, etc., be included in medical expenses for which exemption may be claimed. Second item was inclusion of student nurses, as well as university students, as continuing dependents after the age of 16 . Third point, which Mr. Gibson undertook to consider, was the establishment of a Board of Appeal for tax assessment cases, some body which would function in between the Minister himself and the Exchequer Court.

Insurance Men Asked to Tell Cases of Wise Risk Planning

On the insurance page each week, The Financial Post is running a series of insurance case histories showing the intelligent use of insurance. Those used are genuine cases, with names when used and such details as might lead to identification only changed.

These articles are useful to the layman showing him how he may solve many of his problems as regards the welfare of his family and his business and his own old age.

Underwriters with interesting cases in their own experience, are invited to send them in to The Financial Post for publication, 481 University Ave., Toronto, Insurance Editor.

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Up-to-date Banking for Industry and Workers
A 230

CCF Sask. Government To Aid Farm Tool Plan

(Continued from page 1)

charge of implement manufacture and was going ahead without looking for government support. If such support were required, however, it would certainly be forthcoming in whatever form it was needed—financial aid, guarantee or loans, expert assistance, anything.

Says Patents No Worry

"What about patents?" he was asked. "How are you going to make patented types of farm implements?"

Mr. Douglas admitted this might cause difficulty in some cases, but he didn't think it would be serious. For one thing, he suggested, if plants were bought from industrial companies now making implements, the manufacturing rights would be bought too. Also, he thought the co-operatives themselves might break some new ground here.

"I know work is being done right now on a standard tractor which would combine the best features of all types now available," he said.

He expected close collaboration between American and Canadian movements, perhaps to the extent of an agreed division of effort, some being made there and some in Canada for mutual consumption.

All these projects, however, he thought would be largely self-supporting and self-initiating. "The co-operatives can raise far more money than we, the Government of Saskatchewan, could do in the ordinary way," he said.

General Policies Shape Up

This led to discussion of what the Socialistic Government of Saskatchewan could do in the event of nationwide depression. Mr. Douglas admitted it wouldn't be much, certainly nothing Utopian. He was asked if he thought the ordinary voter would realize this. Mr. Douglas wasn't sure. He believed, though, that most people would realize a socialist provincial government couldn't do much more than any other provincial government to stem nation-wide or world-wide depression — farmers knew how completely they were dependent on world prices.

"I do think," he added, "that the voter would expect us to spend what little money we could spend, and use what power we have, with a different set of values from those of previous governments."

As an example he cited farm debts. If prices fell and farmers were unable to meet their debts, obviously the provincial government could not undertake to raise world prices for farm products. But it could say: "The farmers contracted these debts when prices for their goods were higher, and they can't and shouldn't be expected to meet these debts at the lower prices prevailing now." Accordingly it could declare a moratorium for farmers, or in some other way help them meet or stave off debt claims and save their homes and farms from foreclosure.

To Co-operate With Ottawa

Asked what his socialist government's attitude would be toward the coming Dominion-Provincial conference, Mr. Douglas said it would be fully co-operative. The CCF had given general approval to the Sirois Report, he said, and it fully recognized the need for a readjustment of federal and provincial powers to meet today's needs for social and other legislation. He was prepared, he said, to sacrifice some provincial prerogatives in order to further the general national good and he mentioned the field of labor legislation as a case in point.

Mr. Douglas admitted that although his government was willing to co-operate with any federal government in redistributing powers to make social legislation more efficient, it would do so in full awareness that "a more sympathetic government" might hold power at Ottawa in the future.

Officers' All-Weather Coats

Officers in the armed forces, find the Store for Men at Simpson's THE place to shop whether their need be just a tie, a handkerchief, a pair of socks, an all-weather coat or a complete new uniform. So the next time you are downtown, make it a point to stop in at the Military Shop and see Simpson's complete array of officers' needs.

MILITARY ALL-WEATHER COATS, authentically styled for service wear and expertly tailored in England from sturdy weatherproofed Egyptian twills. Full range of sizes and lengths. Each $20 to 34.50.

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What Controls For Germany?

The Question: What three specific controls for allied supervision of postwar Germany do you suggest?

G. H. Aikins

President, Manitoba Sugar Company Ltd., Winnipeg.

The nature and extent of postwar German controls would seem dependent in some measure on the kind of Germany with whom the allies make peace, but I think that obviously controls on manufacture are essential to prevent the development of dangerous potentialities in the future. Also, trade would be the natural object of allied and international concern. I would think immigration would also require supervision to prevent infiltration into allied countries of subversive personnel and propaganda.

• • •

Torchy Anderson

Parliamentary correspondent, Press Gallery, Ottawa.

Control German rearmament by United Nations military authority, free of diplomats.

Control German political and financial interests to assure Germany of a free press and radio.

Control German industry to prevent industrial aggression.

• • •

Chas. Bauckham

General manager, Sterling Trusts Corp., Toronto.

I suggest the following controls be imposed upon postwar Germany which I think should be made part of the conditions of the peace treaty:

1. Military training and production of war materials should be absolutely forbidden and this should be enforced by the army of occupation.

2. Control of education by supervision and choice of appointees to strategic positions in the educational system.

3. Control of monetary and trade policies from outside the country by a new international body substituting for the League of Nations.

These controls should remain in effect until such time as the German people by the proper conduct of their own affairs have earned the right to request a change.

• • •

A. R. Brennan

Summerside Journal, Summerside, P.E.I.

1. Germany should be divided into a sufficient number of parts to prevent her working as a unit again. This division must be on a permanently assured foundation, enforced by an equally permanent international body.

2. Her iron, steel and other key resources should be transferred to France, Belgium and Holland under international control, and the imports of the main materials that can be used for war now or in the future must be strictly limited.

3. Germany must provide free labor and materials for reconstruction of old war damages.

W. H. Belford

Editor, Times-Journal, Fort William, Ont.

As two world wars originating from Germany have occurred within the last 40 years, it would seem that the United Nations, after this present war has been won, should take steps to prevent another war starting from the same source. Allied supervision of postwar Germany then should bring about:

1. The total disarmament of Germany.

2. The demobilization of German fighting forces.

3. The demolition or radical conversion of German war plants of all kinds.

• • •

Major H. G. Christie

Editor, Telegraph-Journal, Saint John, N.B.

After surrender and occupation partition the Reich and impose control to punish and exact reparations; control agriculture, industry and commerce, taxation, customs and finance; control education and propaganda. There must be no pussyfooting as regards punishment, which must reach the minds of all individual Germans by ostracism and subjection to rigid discipline. We must exact hardboiled reparations to the maximum, short of rendering Germany a liability; must direct German economy so as to ensure the bare necessities for the Germans and the balance to reparations. Because the German problem is psychological, reformation must be attempted through strict cultural control.

• • •

W. L. Clark

Editor, The Star, Windsor, Ont.

The three most effective specific controls for Germany would be one hard-boiled allied governor and two hard-boiled assistants.

• • •

W. A. Curran

Editor, Trail Times, Trail, B.C.

The impact of the Nazi technique upon the citizens of Germany and particularly its youth has been such that it would appear that the United Nations must take over absolute military and economic control of the Reich. Civilian control should be applied to the necessary degree and until such time as Germany can be admitted with safety to associate on terms of equality with the free and democratic nations of the world according to the terms of the Atlantic Charter or whatever document may be evolved by unanimous agreement among the United Nations to take its place.

• • •

Senator W. Rupert Davies

President and editor, Whig-Standard, Kingston, Ont.

If the allied nations make sure that Germany does not rearm openly or secretly, that the Gestapo is disbanded, the power of the Junkers curtailed and her people guaranteed a free press and the right of free speech, I think we can let the German people work out their own salvation in rebuilding their country.

• • •

Kenneth Drury

Editor, Daily Times, Victoria, B.C.

To strip Germany of her military might and give her no opportunity to regain that might (Teheran objective) there must be control over:

1. Germany's financial and industrial oligarchy, including cartels (international tentacles).

2. Junker class (generation-to-generaton factor in her will to war).

3. Nazi party and army leaders, war criminals.

But fundamental to control of Germany will be the control we of the United Nations exercise over ourselves. Last time it wasn't long before we were helping to rebuild Germany's might either because we feared Russia or because reviving rivalries were leading us to restore Europe's balance of power.

• • •

T. S. Ewart

Well-known Ottawa lawyer and authority on constitutional law.

Almost everyone is ready to recommend controls but few have studied the possibility of exercising them. Limitation of armed forces and police probably occur to the mind first, but to a large extent they could be rendered useless by circumvention. And forcing a democratic system of government would seem impossible because of Russia. Control of education is the most important considering the future, but it too is impossible.

It would seem impracticable to impose effective controls on so large a nation except for a short time. Instead of any three specific controls, I suggest taking over the whole administration of government until some supposedly reliable persons could be found to undertake it and then trust to luck and keep our powder dry.

George V. Fraser

Manager, British United Press Bureau, Halifax, N.S.

First and foremost of controls upon postwar Germany should be an international police force with the power to act when necessary. And, of course, the German war machine should be scrapped and prevented from being built up again. Finally, there should be somebody appointed with power to see that elections in Germany are held in a democratic way so that no dictator could seize control against the wishes of a majority. This committee would have to be backed by the international police force.

• • •

J. M. Gilchrist

Vice-president, Searle Grain Company, Winnipeg.

Set up Prussia as an entirely distinct nation from German states. Disband entirely the Prussian general staff. Discharge all Prussian officers from the German army. Permit Prussia a small army, prohibiting any places to Prussian officers who have attended military staff college. Allow a larger army for Germany. Supervise carefully for 15 years industries that can produce heavy war munitions. Encourage all industries to produce abundant goods and commodities for civilian use permitting freely exports of surplus Prussian and German goods and products to all other countries. Supervise carefully materials imported by Prussia and Germany to prevent building up stocks for war purposes.

• • •

Gordon Kerr

Assistant sec.-treasurer, MacLean Publishing Company Ltd., Toronto.

Three specific controls for Allied supervision of postwar Germany could be considered under the headings of Educational, Military and Economic.

Supervision of the educational system should include redrafting the history and geography textbooks. Specially trained teachers should be sent to German schools to teach these subjects, and all school inspectors should be under Allied supervision.

When speaking of military control it is with the idea that Germany would have no permanent militia of any kind and the policing of the country for the next century should be under Allied control.

Economic control should include the elimination of the privilege of any system of cartels or patents. Patent rights should be held by Allied administrators. Allied administrators should also have supervision over any funds loaned to postwar Germany by the United Nations for reconstruction and see that any funds so loaned are expended on their rightful purpose.

Pope — Not the Pope

In his recent reply to a Post question Gustave-A. Beaudry of Quebec, P.Q., said that "a common history textbook would no doubt be a wonderful achievement toward national unity, but I am afraid that as Pope once said concerning the judgments of men each province will stick to its own interpretation regardless of a textbook."

The reference was to Alexander Pope, not "The Pope" as erroneously published.

Saguenay Pr. Profit Off

From Our Own Correspondent

MONTREAL. — Consolidated statement of Saguenay Power Co., Ltd., and subsidiaries for the quarter ended June 30, 1944, shows net income at $262,853, equal after preferred dividends to 92.4 cents a share on common, as compared with net income preceding quarter of $237,977, or 81 cents a common share, and with net income in corresponding 1943 quarter of $299,613, or $1.10 a common share.

For the six months ended June 30, 1944, net income was $500,830, or $1.73 a common share, compared with $558,866, or $2.01 a common share, in first half of 1943. After dividends, there was a deficit of $56,674 against a surplus of $1,362 last year.

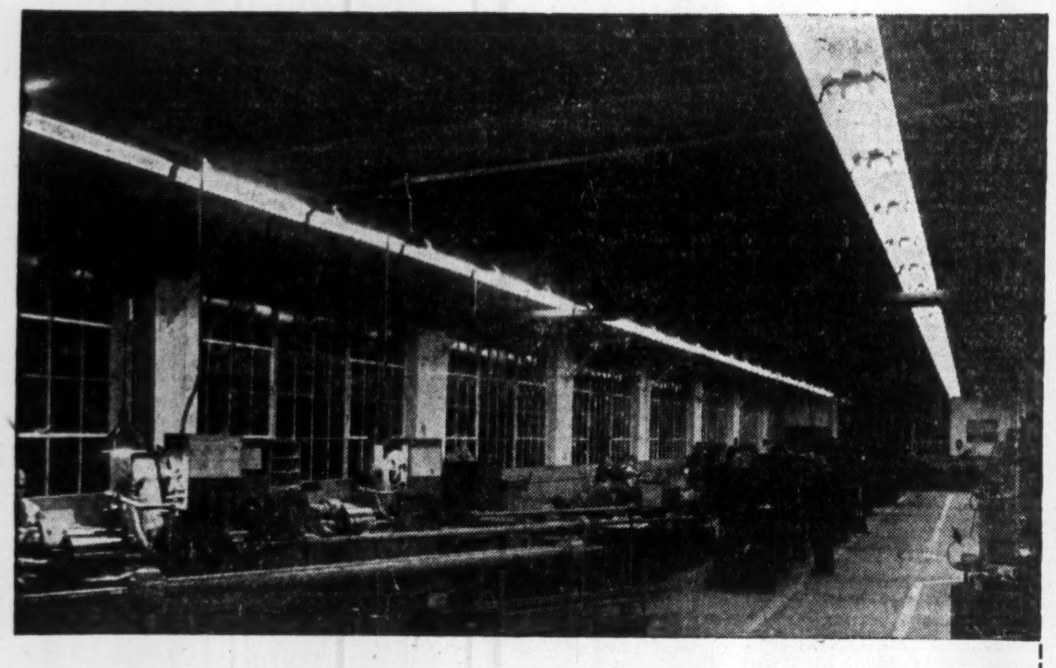
Comparative figures for the six months follow:

6 mos. ended June 30:	1944	1943
Oper. rev.	$2,742,252	$2,814,085
Oper. exp.	693,563	619,296
Oper. profit	$2,048,689	$2,194,789
Other inc.	46,572	49,616
Net earnings	$2,095,261	$2,244,405
Debt int. & exp.	819,207	811,465
Deprec.	368,580	369,260
Income & E.P.T.	406,644	504,814
Net income	$ 500,830	$ 558,866
Less: Divds.	557,504	557,504
Surplus	$ 56,674	$ 1,362
Prev. surplus	4,218,305	4,398,642
Surplus forward	$4,161,631	$4,400,004

Paper Plant Started At Kapuskasing, Ont.

Kimberley-Clarke Co. of Canada has started construction of its big—$1,250,000, equipped—new crepe wadding mill and housing at Kapuskasing, Ont. General contractor is Hill-Clark-Francis Ltd., New Liskeard, at $450,000 for the plant building and $5,000 each for 25 houses. The new mill, to be completed four or five months hence and to employ about 250 will be devoted to an operation previously carried out by the company in the U. S.

COOL GLARE-FREE LIGHT SPEEDS UP PRODUCTION



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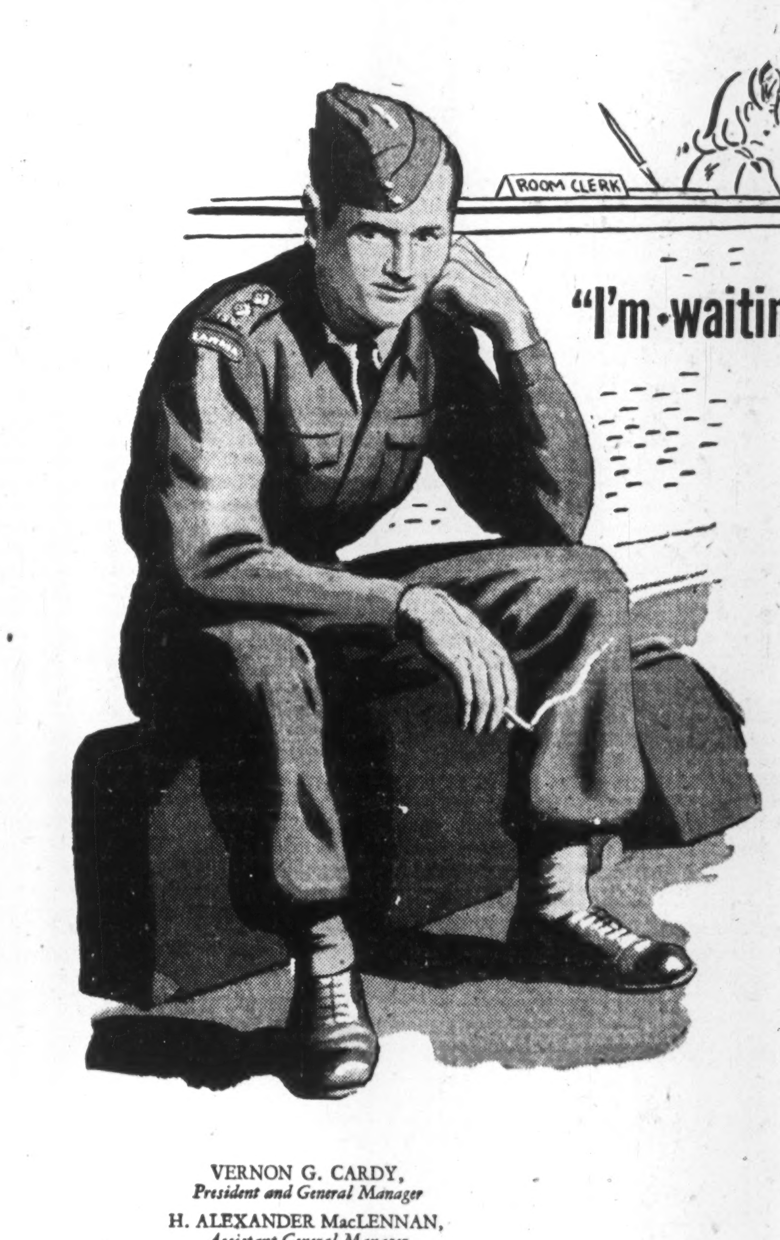
PUBLISHED IN THE INTERESTS OF HOTELS AND THEIR GUESTS



"I'm waiting for the guy in 1010"

HE was supposed to check out at six p.m. It's nine-thirty now and he's still occupying the room . . . that's why I can't move in!

He's probably just killing time before his train leaves just as he did in other years, and he doesn't feel very happy about the hotel insisting upon the 6 p.m. check out rule . . . but it's mighty tough on the fellow who is waiting if the hotel *doesn't* insist!

He doesn't know that I'm on my embarkation leave, that I'm dog-tired from travelling all day, and that every hour of my leave is precious. Yet, you'd think he would *know* that someone is *sure* to be waiting for his room. I guess he's just thoughtless.

In the meantime . . . I'm still waiting!

VERNON G. CARDY, *President and General Manager*

H. ALEXANDER MacLENNAN, *Assistant General Manager*

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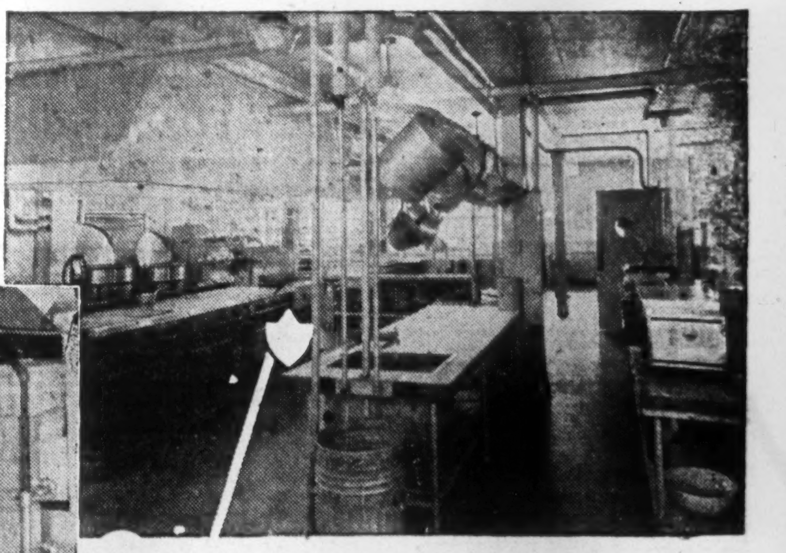
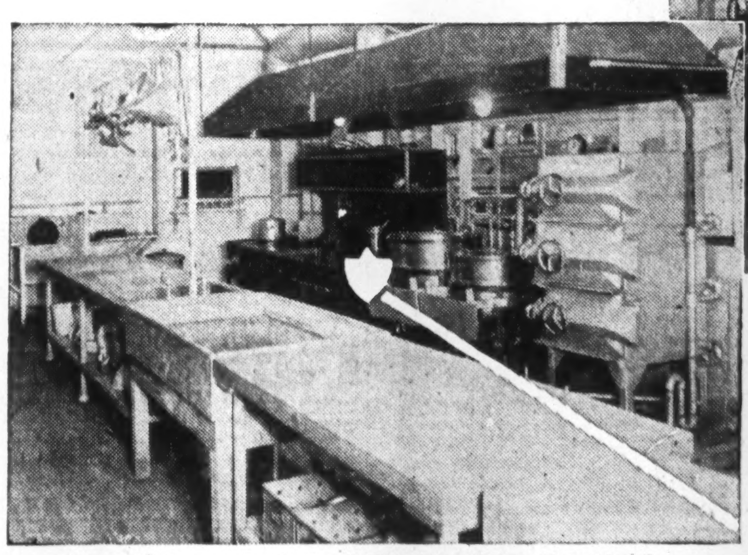
Pictured at right — General Electric Company Ltd., Peterboro





Pictured above — Cockshutt Plow Co. Ltd., Brantford

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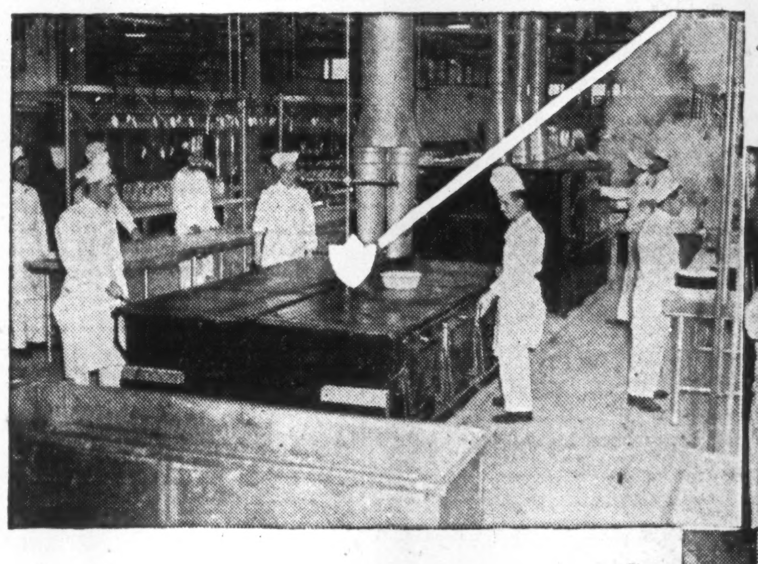
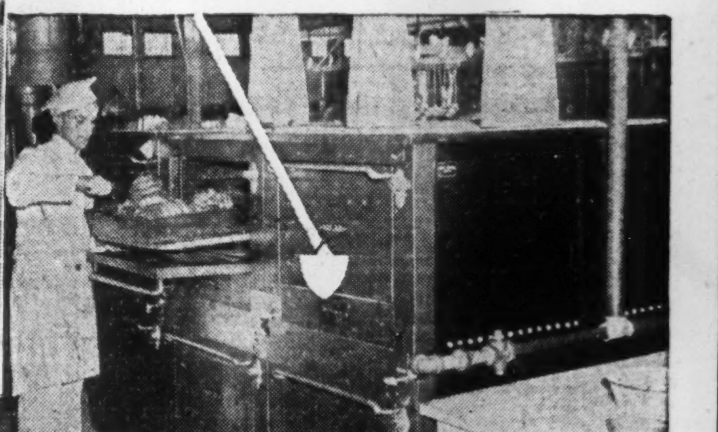
GSW QUALITY GOODS

Pictured below — Webb Hall — Exhibition Park, Toronto





Pictured at right — Webb Hall — Exhibition Park, Toronto

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Plan for Forestry Blocked

Major Export Industry Wants Dominion Ministry

From Our Own Correspondent

MONTREAL. — A canvass of opinion by The Financial Post among leaders in the forest products industries reveals increasing sentiment that establishment of a Dominion ministry for forestry, pulp and paper has become a vital need to meet problems facing what normally is Canada's most important export industry.

Steady depletion of Canada's forest wealth, not only due to wasteful woodcutting practices, but also due to inadequate measures to combat tremendous annual losses from insect and fire damage, has been causing increasing concern in the industry. And efforts to obtain government co-operation in stemming the steady depletion of accessible wood stands have run into difficulties, under the present governmental setup.

A main objection from Ottawa has been that the Dominion Government has direct control over only a very small percentage of the forest lands that can be exploited commercially. The provinces own around 90% of the forest lands in Canada and are intensely jealous of their jurisdictional rights over these holdings, from which an important part of revenues of some provinces is derived, through timber-cutting rights, etc.

Divided Gov't Authority

At present Canada's chief export industry comes at Ottawa under the general Department of Mines and Resources, which also looks after a lot of other industries. Foreign trade is under still another department, and pulp and paper men say that lately, in efforts to get attention for a sound postwar program for future development, the industry has been shuttled back and forth from one department to the other, with no one apparently anxious, or even interested, to assume responsibility.

The provincial governments maintain departments to combat fire and insect damage to forests, but there is no unity, and some provinces, it is held, have relatively low budgets for such work. One trouble with the present system, it is pointed out, is that insects and fire, which annually destroy well over a billion cubic feet of timber in Canada, pay no attention to provincial boundary lines. And the provinces, of course, have no jurisdiction over, or responsibility for, foreign trade.

Forest products interests note that the Dominion Government maintains ministries for such industries as agriculture and fisheries, although the provinces also hold control in these fields and have their own separate ministries. Yet neither of these industries, important as they may be, are nearly as important, from the national standpoint, for bringing in money through export sales, as is pulp and paper.

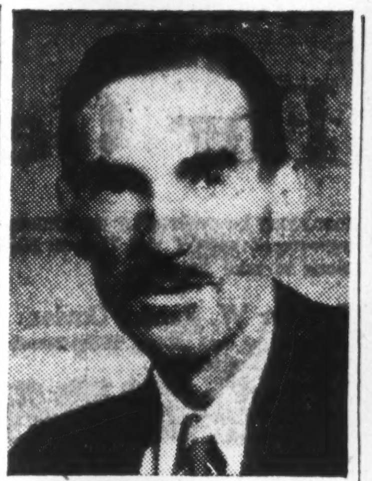
In the last pre-war year, 1939, value of farm produce exported was only $182.8 millions, value of exports of fishery products (canned as well as fresh) only $6.7 millions, whereas value of exports of wood and its products totalled $214½ millions.

Although the national wealth created by the fishery industry, for instance, is but a fraction of that coming from forest products industries, it is contended, fisheries get twice the government financial aid that forestry does, and mining, a self-depleting industry, gets 20 times as much Federal aid as the forest industries.

Important to Living Standards

Industries of "forest origin" in the period between the first war and the present war created some $15 billions of national income, of which approximately half was money, or purchasing power, from outside, that was used to bring in imported goods and raise living standards.

During this period the most accessible forest wealth has been steadily "mined" instead of scientifically used, and costs in the forest industries have been moving upward as the "plush" period has been moving back into the past. To meet the problem of steady depletion of forest wealth and to aid in further development of export markets, government co-operation, such as has developed in competitive areas like the Scandinavian countries, will be necessary after the war, it is contended — and to bring this about some centralized responsibility is declared urgently needed.



ADMAN MOVES

Gordon Wallace, Toronto, who has joined the Spitzer & Mills Ltd. advertising agency as creative account executive, after 14 years with MacLaren Advertising Co. Mr. Wallace's agency-client experience covers creative advertising, sales promotion and merchandising, direct mail, personnel and public relations.

John Inglis Co. has announced the consummation of an exclusive manufacturing and selling agreement with the Power-Gas Corp., Stockton-on-Tees, England, effective immediately, covering all present and future developments of the Power-Gas Corp. The new associate is described as "the world's largest organization specializing in the design of producer gas plants, water gas plants, hydrogen generating plants, etc." It is stated to have designed, and through its associate, Ashmore, Benson, Pease & Co., built "most of the large gas generating plants of the world."

Hold and Buy More Victory Bonds

Now, more than ever, it is important that Canadians should hold and buy more Victory Bonds.

Increased production of arms and other war equipment is vitally needed and must be financed.

For maximum security, marketability and regularity of income — "there is no better investment than Dominion of Canada Bonds".

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TWO DROPS bring quick relief to TIRED EYES

Use Murine when eyes are tired or when they smart and burn from overwork, dust, wind, sunglare, lack of sleep, bright lights. Just put two drops in each eye. Murine quickly soothes, cleanses, refreshes. Thousands are using Murine. Let it help your eyes too!

MURINE FOR YOUR EYES
SOOTHES · REFRESHES

Motor Launch Disasters

(Continued from page 1)

under the statute, must have a master holding a certificate of the proper grade and class, and an engineer also holding a proper certificate. Permission can be granted, however, for a person to act in a dual capacity as master and engineer, provided he is properly qualified.

Must Have Proper Equipment

CSA regulations contain strict provisions regarding life-saving and fire-fighting equipment, as well as number of passengers carried. It is laid down, for instance, that ships cannot carry a number of passengers in excess of those who can be accommodated in permanent seating arrangements.

Passengers are not supposed to move about while aboard ship, and in no circumstances should they be permitted to clamber on top of wheel house or cabin as they did on the "Olga."

The regulations stipulate that a vessel must carry life belts sufficient for all passengers, that these should be tested regularly, and that they should not be used for swimming. If they become wet, they are to be dried thoroughly and tested.

Precautions Against Fire

Other stipulations are that all vessels must carry life buoys, or some approved buoyant apparatus, the number varying with the size of the boat, and that adequate precautions against fire must be taken.

These regulations can be relaxed or varied, depending on the size of the vessel concerned. Technically speaking, however, all the regulations must be complied with and, in the case of ships carrying passengers for hire, the various kinds of equipment must be inspected annually.

Investigation in the case of the motor launch "Olga," a vessel about 27 ft. long and of 9.25 tons, revealed that she was unlicensed, and that she had not been inspected, according to the regulations. Her life belts were found to be inadequate in number and condition, there were no life buoys or buoyant apparatus, and she lacked proper fire fighting equipment. Inspection would have revealed these defects.

Under the regulations, the "Olga's" seating capacity was 16, plus the operator. There were 30 persons aboard her at the time of the tragedy, including nearly a dozen atop wheel house and cabin, and one lying on the bow in front of the operator.

Difficult to Avoid

Shipping men point out that it is difficult to avoid such situations. Licensing is in the hands of the collectors of customs, while inspection is carried on by Department of Transport inspectors.

If a ship owner is a careful and law-abiding citizen, who desires to operate in full accord with the regulations, he will make it his responsibility to observe the licensing and inspection regulations. Those who do not care about the regulations, or who are just careless, can pretty well do as they please. The result is a tragedy such as the sinking of the "Olga."

Shipping authorities estimate that there are scores, possibly hundreds, of motor launches engaged in a small passenger-carrying business like the "Olga," privately-owned launches and fishing vessels which are not properly licensed or inspected. Many of the hazards of shipping on inland waters would be removed, they think, if these smaller vessels observed the regulations carefully, as they are expected to under the CSA.

Is there a remedy? Shipping men say this is a knotty point to solve. Local police officers can't be expected to do much about it. Shipping is not their field. CSA regulations are posted in most inland shipping centres, but here again, decision as to their observance is left with the individual ship owner or operator.

If the customs department were to undertake an efficient job of enforcement, it would need an "army" of inspectors, covering countless little lakes as well as the larger ones, and who would have nothing to do in the winter.

If enforcement of CSA regulations were possible under the Criminal Code, as suggested by the Barlow Commission, then local officers could take a more active part in enforcing the regulations and conditions should improve, say the shipping experts.

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TOWNSHIP OF YORK

3¼% and 3½% Debentures

Dated August 15, 1944, maturing serially. Principal and semi-annual Interest (15 February and August) payable at Toronto. Callable at 100.00 and Interest in reverse order of maturity. Denominations: $1,000.

Debentures will bear the Validation Certificate of the Ontario Municipal Board.

Descriptive circular upon request.

3¼% Debentures			3½% Debentures		
Maturity	*Yield*	*Price*	*Maturity*	*Yield*	*Price*
1956	3.45	98.05	1965	3.53	99.50
1957	3.45	97.92	1966	3.53	99.50
1958	3.45	97.79	1967	3.53	99.50
1959	3.45	97.67	1968	3.53	99.50
1960	3.45	97.56	1969	3.53	99.50
1961	3.45	97.44	1970	3.56	99.00
1962	3.45	97.33	1971	3.56	99.00
1963	3.45	97.23	1972	3.56	99.00
1964	3.45	97.13	1973	3.56	99.00
			1974	3.56	99.00

Accrued interest from August 15. *Orders subject to confirmation.*

The Township of York, which is an integral part of the Toronto community, adjoining the City on the northwest and Forest Hill Village on the west, is the fifth largest municipality in Ontario, with a present population of 80,248. This compares with 68,223 in 1932 and 47,233 in 1925.

NESBITT, THOMSON & COMPANY
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355 ST. JAMES STREET WEST, MONTREAL
Branches in the principal cities of Canada

See Good Crops Aiding Canners

Big Yields Expected Across Entire Dominion This Year

With crops very good generally across Canada, prospects for firms in the canning industry this year are reported bright, considerably better than last year which was somewhat below normal.

Prospects for a good vegetable crop—backbone of canning industry business—are described as excellent, with anticipated yields so good that some reduction in subsidy payments to growers is anticipated. Fruits, however, are expected to be on the short side, except in British Columbia, and it does not appear likely that a great quantity of fruits will be canned, particularly as the price of fruits, even at wholesale, is inclined to be on the high side.

Acreage A Little Higher

Better crop prospects are attributed chiefly to better growing conditions and a higher anticipated yield, but acreage planted has been a little greater this year and this is contributing to the improvement.

Tin plate supply continues fairly ample for most purposes, it is understood, and no important difficulties are anticipated in this respect. Labor supply has been a little uncertain but Government co-operation is stated to have been good with the situation described as not too difficult.

Although there are numerous canning firms across Canada, Canadian Canners appears to be the only one in which there is wide public interest. From present indications, it appears that the company should benefit from good crops this year. Bulk of its plant (67) are located in eastern Canada where crop conditions seem uniformly good.

Earned $1.94 On Common

Earnings on the common, after participation, were equal to $1.94 a share before including refundable taxes and $3.48 a share after inclusion of refundable portion in the year ended Feb. 29, 1944; this was a slight decrease from the previous year.

Financial position of the company has been greatly strengthened in recent years and overhead has been lightened by retirement of indebtedness. Since Feb. 28, 1938, funded debt has been reduced from $3,320,000 to $2,275,000. Working capital has been increased from $4.8 millions at Feb. 28, 1938 to $7.1 millions at Feb. 29, 1944. Refundable taxes, not included in working capital, totalled $412,000 at Feb. 29, 1944.

You don't have to wait for NEW UNDERWOODS—

—make your present Underwoods like NEW!

If you're not eligible, now, to buy new Underwood Typewriters, you don't have to wait until you are. Make your present Underwoods new—by factory-rebuilding.

In the Underwood plant, your old typewriters go through many factory processes that produce the new Underwood—and they emerge completely new in everything but age.

We'd like to have you see and test an Underwood "factory-rebuilt" . . . because we are sure you'd then agree that Underwood Elliott Fisher factory-rebuilding is today's best typewriter "buy".

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Head Office: 135 Victoria St., Toronto
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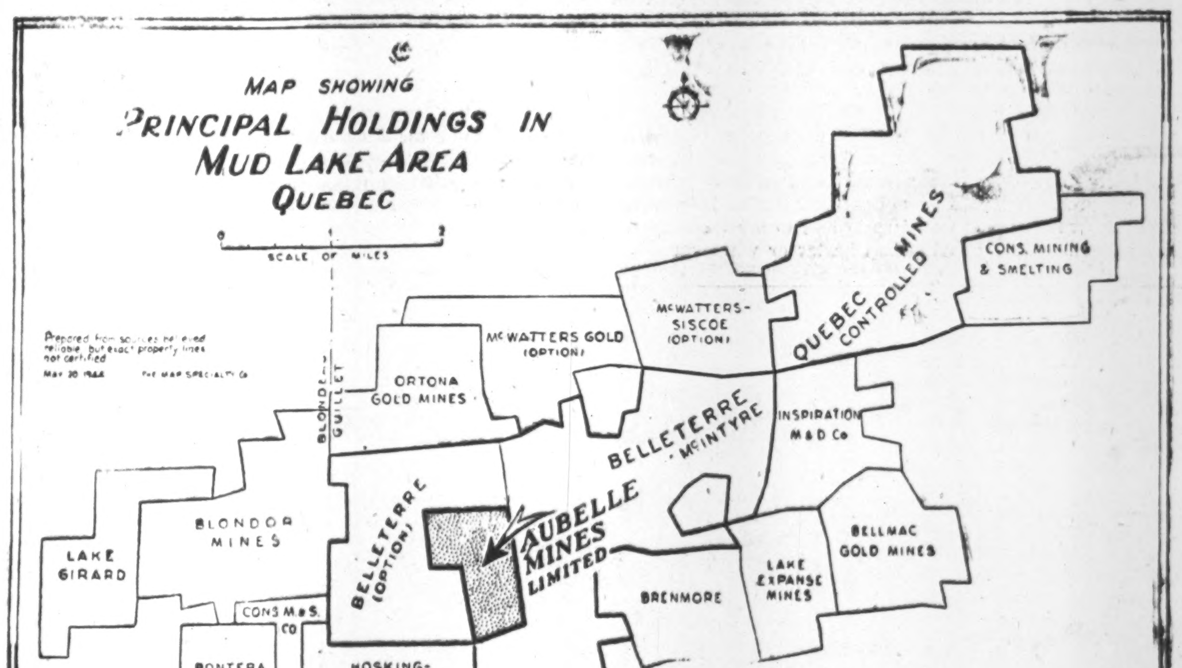
UNDERWOOD TYPEWRITERS — CANADA'S *7-OUT-OF-10 CHOICE
*According to Underwood Elliott Fisher records

AUBELLE MINES LIMITED

(No Personal Liability)

ADVANTAGEOUSLY SITUATED IN THE HEART OF THE BELLETERRE AREA OF THE MUD LAKE DISTRICT OF NORTHWESTERN QUEBEC



EXCERPT FROM REPORT ON AUBELLE BY J. P. NORRIE, M.E., GENERAL MANAGER

"As the Aubelle claims lie directly on strike of the main Belleterre ore zones, in which one of the best gold veins in Canada is reported to be present, it is expected that some of the veins now known to exist on the Aubelle property, in which substantial gold values are reported, will, with further work, develop into orebodies of size and grade. One of these gold-bearing veins has a known length of 2,000 feet and width from one to five feet across claims R-20377 and R-20378. Its dip is 75 degrees to 80 degrees S. The vein occurs in the form of irregular discontinuous lenses, localized in a band of sheared dark tuff or greywacke and mineralized with disseminated pyrite. It is expected that a systematic exploration campaign will further increase in value and size several other veins exposed at various places and that several new ones will be discovered. Surface development work in the Belleterre area is done by trenching in overburden of moderate depth and diamond drilling where it is too deep for trenching. On the Aubelle property, a combination of both will be necessary. I recommend that arrangements be made for a diamond-drilling campaign of at least 10,000 feet. The amount of trenching will depend on the overburden encountered. Developments at the adjacent Belleterre Mine of McIntyre Porcupine Mines Limited, coupled with the vein exposures already partially developed on the Aubelle property, warrant a wide exploration campaign in the expectation that the known veins will develop into commercial orebodies."

AUBELLE DIAMOND DR[illegible]NG PROGRAM STARTED

It was recently announced that J. P. Norrie had projected a diamond drilling program, with initial exploration to be confined to a vein lying south of the main occurrence, which carries mineralization with some gold values, being on the strike of the main Belleterre Quebec Mines' vein structure, where Mr. Norrie believes there are excellent chances for development of an orebody. Extensive prospecting and sampling of the north vein has confirmed reports of previous owners as to the impressive size and widespread occurrence of mineralization, quartz and gold values. The official report, dated January 9, 1936, gave this vein a length of 2,600 feet, with widths up to nine feet. Channel assays from various trenches, and from a test pit, yielded the following values:

TRENCH NO. 43—7 FEET	$10.85
TRENCH NO. 44—7 FEET	$8.23 & $23.10
TRENCH NO. 45—6 FEET	$3.15 & $11.20
TRENCH NO. 46—6 FEET	$7.98 & $38.85
TRENCH NO. 47—5 FEET	$11.20
PIT NO. 1—8 FEET	$ 8.75
AVERAGE OF 9 SAMPLES	$13.70

Exploration of this structure by four diamond drill holes, varying in length up to 300 feet, proved encouraging. At the 200-foot horizon the vein showed a width of eight feet, assaying over $6.00. Of this, three feet ran $9.45. At the 300-foot elevation, the vein showed a width of six feet, with heavy sulphide mineralization carrying good gold values. The other two holes were drilled for geological information. This structure will be thoroughly explored by diamond drilling, and it is confidently expected that interesting results will be attained.

Among the prerequisites of success for gold mine-making are the following: 1. A gold-carrying medium, located in geological structure friendly to intensive gold concentration, with sufficient acreage to protect potential orebodies laterally and to depth. 2. Direction and management by men skilled in exploration, development, construction and production. 3. Assurance of funds sufficient to meet all requirements of the adopted exploration program. Aubelle Mines appears to qualify in all three respects.

AUBELLE SHARES ARE NOW LISTED ON THE TORONTO STOCK EXCHANGE

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More About PLASTICS

Across Canada shell inspection has been made safe with "Lucite." This remarkable plastic transmits light freely even around corners.

A low voltage lamp is mounted inside a non-sparking handle which is attached to a long tube of "Lucite." Cold, shadowless light is transmitted through the "Lucite" rod and projected on the inside casing of the shell. The lack of heat helps eliminate the danger of explosion.

This is only one of the ways in which this crystal-clear plastic is doing war service. Supplied by C-I-L to moulders and fabricators, lightweight, strong "Lucite" methyl methacrylate resin, has helped build tanks, ships and 'planes, and is fighting on every front. There will be many uses for "Lucite" after the war, but until then "Lucite" is a 'fighting plastic.'

A copy of reference manual "Plastics Supplied by C-I-L" will be sent to you upon request. Write on your firm's letterhead to C-I-L, Plastics Division, 904 Birks Bldg., Montreal, Que.

PF-8

INVESTMENTS THIS WEEK

Look For "Fair Treatment" In Montreal L. H. & P. Case

The discussions in the Quebec provincial election campaign about Montreal Light, Heat & Power Consolidated at present — and until election day, Aug. 8—can hardly be termed conducive to investment confidence in Montreal Power shares, but despite this fact, despite the dividend omission on the stock and despite the general market irregularity, there has been noted a better price tone for Power shares during the past week.

In fairly active trading, the stock moved up against the general trend at Montreal last week, with buying said to be mainly outright purchases rather than speculative marginal buying.

The relatively firm price action of Montreal Power is being attributed to widened confidence that, despite of all the talk by some political candidates about cracking down on the trusts, reasonably fair treatment can be expected, after the election, from either of the major parties—Liberal and National Union. Attitude of the Bloc Populaire group is more obscure, particularly if they should hold the balance of power in the next Legislature, but recent statements of Bloc candidates in English - speaking constituencies—that the Bloc is against "imperialism," whatever that may mean, rather than against private industry and private interests of Quebec citizens—have tended to alleviate some of the uneasiness about this group.

Quebec elections have been noted, in the past, for the intense fire of the campaign oratory, and for extravagant threats against "Big Business," but legislative action invariably has fallen short of the threats, and no leading party, it is held, is anxious to sully the province's record of fair treatment to investment capital, or to scare away capital to other parts of the country.

Some sort of arrangement, for exchange of Montreal Power shares for Provincial Government securities, still is deemed the most likely development, after the election.

* * *

Cdn. Issues Strong in N.Y.

Increased attention to Canadian stocks at New York has been reflected in narrowing of the differential between New York and Canadian prices of interlisted stocks in recent weeks. Most Canadian stocks at Wall Street are now selling on a differential basis close to the official exchange rate, whereas a few years back there was a fairly wide spread between Canadian and U. S. prices of some Canadian securities. Present exchange control restrictions prevent active arbutrage operations between U. S. and Canadian market centres.

* * *

Jam. Public Service

Announcement by Aluminium, Ltd., of plans for development of newly acquired bauxite deposits in Jamaica, B.W.I., is constructive for Jamaica Public Service, Ltd., which through a subsidiary supplies electric light and power service in main populated centres on the island, and also operates tramways' services. Earnings of Jamaica Public Service tend to fluctuate with general business conditions on the island.

Plans of Aluminium to build an ore-treating plant, to make alumina, indicates a demand for considerable power in the future. In addition, encouragement to farming and livestock breeding on the island will help the power company, through improving general purchasing power. Jamaica Public Service has been constructing an additional 4,000 h.p. development on the White River, and is in a position further to add to power producing facilities as required.

* * *

Expropriate Calgary Power?

The CCF has come out flatly in its election campaign and stated that Calgary Power Co. will be expropriated if they are given power in Alberta.

Total assets of $28.9 millions and a net profit of $432,586 for 1943 make the company one of the largest in the western public utility field. Investment interest in the company centres around $9.9 millions of 5% bonds outstanding, 59,000 shares of preferred stock with a $100 par and 35,000 $100 par common shares. No dividends have been paid on the common shares for years although earnings as high as $2.31 a share (in 1942) have been shown.

Plant was carried at the end of 1943 at $23.9 millions while franchises, licenses and organization expense, etc., totalled $830,318. Water rights were shown at $383,355.

COMPANY REPORTS

McDougall-Segur

Years ended Mar. 31:	1944	1943
Earned per share	$0.004	$0.004
Paid	nil	nil
Working capital	$42,359	$31,332

(Previous year figures bracketed below.)

Net profit of McDougall-Segur Exploration Co. of Canada for year ended March 31, 1944, amounted to $11,412 ($12,887) after taxes of $367 (nil). No change took place in the investments of the company, with the exception of the addition of $10,450 Dominion of Canada bonds.

Drilling of a well by Sullivan Creek Syndicate, in which the company had a ninth interest, resulted in disappointment; drilling was suspended at 3,578 ft. and the well capped. No properties and proposals were found during the year which seemed to the directors to justify spending company funds, President T. M. Carlyle stated.

Dom. & Anglo

Years Ended Apr. 30:	1944	1943
Earned per share:		
Preferred	$9.01	$8.36
Common	5.02	4.27
Paid per share:		
Preferred	5.00	5.00
Common	4.50	4.00
Total liquid assets	$2,045,286	$2,022,004
Total current liabs. ..	62,669	57,473

(Previous year figures bracketed below.)

Interest and dividends received by Dominion & Anglo Investment Corp. in the year ended April 30, 1944 amounted to $130,440 ($121,922), after including exchange premium and deducting Dominion of Canada withholding tax. After expenses and taxes, net income amounted to $112,642 ($106,320).

After payment of regular quarterly dividends on preferred and of $4.50 ($4.00) on common, earned surplus account stood at $71,623 ($67,174). Net realized profit on sale of securities amounted to $32,487 compared with a loss of $6,691 the previous year. This 1944 profit and $3,850 excess of par value over cost of 227 shares of the company's preferred stock purchased for redemption, raised capital surplus to $342,193 ($305,856).

Net liquidating value of the company's assets, based on April 30 market quotations was reported as $2,250,326 ($2,120,817), or $180.10 ($166.70) per preferred share, $100.08 ($84.86) on common after deducting preferred at par. Book value of investments was $2,030,923 ($2,016,131).

Hudson's Bay Results Better

Operating Profits a Record But Taxes Limit Increase in Net

In its 275th annual report for the year ended Jan. 31, 1944, Hudson's Bay Co. shows record trading profit, record taxation, and record retail sales and retail profits. Net profit from all sources for the year ended Jan. 31, 1944, amounted to $607,762, compared with $555,509 in 1943.

Total taxes in the United Kingdom and Canada were $7,465,724, as against $6,115,083 in the previous year.

At the annual general court of the company, to be held Aug. 8, it is stated that the board will recommend a dividend on the £2,492,224 ordinary share capital of 5% less income tax, plus 5% on land account, whioh is not taxable. Last year, 4% and 1½% were paid. This will bring dividends and surplus payments to the highest level since 1930.

Repayment of the balance of the preference capital, amounting to £600,000, is also proposed. Previous capital repayments (the last made Jan. 1, 1944) reduced par value of this stock to £1 10s. Elimination of preference shares will leave capitalization at £2,492,224 outstanding ordinary shares, par £1.

Canadian standard profits were decided last year but United Kingdom standard, and taxation assessments since the beginning of the war, are still unsettled.

Land department receipts are described as the best since 1929, with substantial amounts collected on arrears of principal and interest. Land sold during the year totalled 159,914 acres, at an average of $6.20 per acre; the previous year, 111,366 acres were sold.

Retail operations were conducted, it is stated, under many difficulties, especially those arising from depleted staffs. In spite of this, retail sales were a record.

Wholesale operations, which are particularly dependent on imported merchandise, experienced greater difficulties.

The fur trade has been carried on in spite of diminished personnel, it is stated, and "close co-operation with authorities in various activities necessary both for the war effort and for the general welfare of those areas" is maintained.

Steadily increasing quantities of raw furs were reported disposed of in Montreal and New York, but in the United Kingdom fur business is still restricted.

At the close of the year the company reports 15 producing wells on the Turner Valley properties of the subsidiary Hudson's Bay Oil & Gas Co.

Announcing

Important Appointments in Canadian Industry, Finance, Business and Government.

Canadian Converters Co.—H. C. Flood appointed president, George B. Foster, H. C. Flood, Henri Geoffrin, Thomas M. Barrington, Lazarus Phillips, G. L. Prime and D. S. Dubin elected directors.

Credit Grantors of Canada—William J. Bell, assistant manager, Canada Permanent Mortgage Corp., Vancouver, selected chairman of the provincial directors.

University of Toronto—Dr. Harry M. Cassidy appointed director of the school of social work.

Rogers Majestic, Ltd.—W. T. Burnham appointed general sales manager.

National Selective Service—Group Capt. Byron F. Wood appointed associate director.

League of Canadian Advertising and Sales Clubs—Gordon Fairbairn elected a director.

United Fruit Co.—R. J. Leslie, formerly general manager of the Apple Marketing Board Ltd., appointed general manager.

Guelph & Ontario Investment & Savings Society and The Guelph Trust Co.—W. P. Gamble appointed director.

Petroleum & Natural Gas Conservation Board of Alberta—A. G. Bailey, Montreal, appointed deputy chairman.

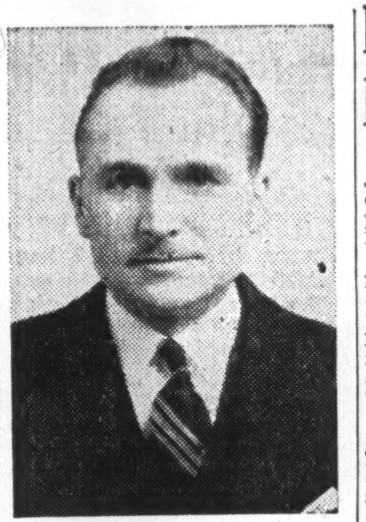
Gyro International—Frank Nightingale, Halifax, elected president.

Kingstone & Mackenzie—H. D. Kingstone, senior partner, has been elected a member of the Montreal Stock Exchange. Previously the firm was represented on the exchange by A. F. Ross, who is retiring from partnership in the firm.

Canadian Institute of Steel Construction, Inc., headquarters is now at 124 Bloor St. W., Toronto. Previously headquarters were in Ottawa.

Bristol Co. of Canada, Toronto, M. G. Langlois appointed vice-president and managing director.

Bell Telephone Co. of Canada: S. R. Stevens, Montreal, appointed manager, Ottawa; O. A. Robertson, Ottawa, appointed general commercial employment supervisor, Montreal; K. L. Carruthers, Montreal, appointed rural development engineer; J. C. N. Cochrane, Cornwall, appointed manager, Kingston.



STEEL MANAGER

R. C. Jayne, appointed vice-president and general manager of Atlas Steels Ltd., Welland, Ont. Formerly works manager, Mr. Jayne has been responsible for production of a large share of Canadian gun steel. Experienced in the U. S. for many years in fine tool steels and steel specialties, he joined Atlas 12 years ago.

Big Apartment Project Begins

Start on First Seven of 41 Blocks Follows Lifting of Federal Ban

From Our Own Correspondent

MONTREAL.—Apartment building has re-emerged in several cities this summer following removal—in response to the housing shortage—of the federal Construction Control's ban on any block with more than seven suites.

Latest and biggest so far is the Ridgewood Housing Development Co.'s project on the eastern slope of Westmount mountain here, just off Cote des Neiges rd. Excavation is proceeding for the first seven of 41 blocks of varying size to be built over three years at an estimated cost of about $5 millions and to accommodate about 1,000 families.

Developers are Arthur M. and Lionel M. Maron, long prominent residential builders, with the backing of a prominent Montreal financier. Plans are by Harold J. Doran, architect, and Wilfrid E. Lauriault, engineer, in association with Prof. John Bland, town planning consultant. Co-operation of the National Housing Administration and of departments of the City of Montreal is reported.

Plans Approved By Silverwood

At a special general meeting held July 25 in Toronto, debenture holders of Silverwood Dairies approved plans for new financing announced last month.

Possibility that the meeting might have to be adjourned disappeared earlier in the week when a second letter to debenture holders from President A. E. Silverwood brought forth enough proxies and meeting attendants to carry on as planned, The Financial Post is informed.

Trust deed provisions required approval of a majority of debenture holders before the company may create or issue bonds in excess of $1.5 millions ranking over the debentures, unless the holders are granted the right to convert their holdings into the new obligations on terms not less favorable than those received by the company. The debenture holders Tuesday authorized the new $2 millions refunding 2½%-4% first mortgage bond issue (of which $1.8 millions was offered last month on a "when issued" basis), and waived their conversion rights.

On Sept. 30, 1944, the present $1.2 millions 4½% first (closed) mortgage bonds are to be called for redemption at 103 and replaced by the new issue.

In his most recent letter to debenture holders, President Silverwood stated that a year ago the directors rejected an opportunity to refund both bonds and debentures with a new $3 millions issue at a maximum interest rate of 4%. This, it is stated, would have meant an annual saving of $29,000, but it was felt unwise to disturb the debentures, which had been issued to holders of the old 7% preference stock under the 1936 reorganization plan.

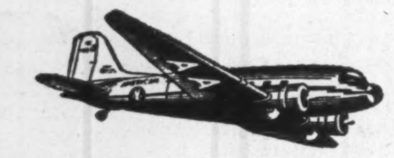
INDIA—NOW and POST-WAR

To those manufacturers contemplating extending their export markets to rapidly expanding British India excellent opportunities are offered through the medium of The Industrial & Commercial Trust Limited — an experienced well-established Company, financially sound with extensive ramifications throughout the country — to further that end.

This Company is prepared to consider the sole agency for India for machine tools, cutting tools, plywood and plastics of all kinds. Domestic radio, apparatus and accessories, automobiles and parts. Also textiles, piecegoods, hosiery, and kindred lines.

Bank and other references submitted. Communicate direct to:

THE INDUSTRIAL & COMMERCIAL TRUST LIMITED
WAVELL HOUSE, 15 GRAHAM ROAD, BALLARD ESTATE, FORT, BOMBAY.



BUFFALO AND NEW YORK

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The Editorial Page . .

The Financial Post's Platform for Canada

1. *All manpower and resources, efficiently used, wherever needed, to win the war.*
2. *Pay-as-we-go policy, to the utmost possible limit, to avert inflation.*
3. *Elimination of wasteful spending by public bodies or private individuals.*
4. *Planning NOW for postwar, by government and business, to ensure fullest employment and improve social standards through individual initiative and competitive enterprise.*
5. *Orderly and economically sound disposal of surplus war stocks, plant, machinery, etc.*
6. *Planned and orderly demobilization of armed forces and war workers so they may be reinstated in productive civilian life with minimum dislocation.*
7. *Generous treatment for incapacitated fighting men, to ensure their rehabilitation and reward their sacrifices.*

More Launch Disasters Coming?

Under present law in Canada, the public travelling in "for hire" motor launches has virtually no effective protection save the character of the launch operator that minimum safety standards are complied with except perhaps in a very few big city harbors where special powers have been granted local authorities.

At Port Stanley, Ontario, 17 persons recently lost their lives in a launch disaster. A judicial report found that the accident resulted from the "gross negligence and incompetence" of the operator; that, among other things, he "recklessly disregarded all safety regulations" and "ignored regulations respecting life saving equipment."

The Canada Shipping Act has very clear and comprehensive regulations on the safety and fire equipment required on "for hire" launches, also as to the competence of the operator.

Difficult though enforcement of any law would be over all Canada's remote lakes, effective enforcement of these minimum safety requirements for the protection of the travelling public is surely hopeless under the present setup.

There is now in effect no enforcement whatever. Steamship inspectors of whom there are eight in Ontario are available to inspect vessels on request of the owners. They have certain powers permitting them to board and detain vessels but they are primarily office men concerned with steamships. Enforcement of laws about launches is not their purpose nor regarded as a particular responsibility.

Customs officials are in much the same position. RCMP Provincial and municipal police may intervene.

But launch operations have not been a specific RCMP assignment. Members of that force have been too few and too much engaged with other specific jobs.

With the well-known apathy of provinces and municipalities for stepping in to help administer matters under the Dominion authority, it is not surprising that town and village constables and provincial police are very much inclined to regard launches as quite outside their field; as one piece of trouble and labor they can avoid entering.

There is no requirement that vessels under 10 tons be registered. But unregistered ships must obtain a license. This is issued free, contains only a brief description of the boat, name and address of owner. This license need not be renewed yearly.

Surely annual licensing is not too much to ask of these public carriers and that such licensing depend on satisfactory proof that the law regarding safety and fire equipment and other requirements of motor launch operation is being complied with a yearly check is not asking too much.

Effective policing cannot possibly be achieved by the present system. Incorporating the Shipping Act requirements in the criminal code would make every policeman—local, provincial and federal—responsible for enforcement; specifically directed to do so.

There are doubtless many responsible "for hire" launch operators who do not require supervision, but every summer traveller knows some who do.

Here is a very sloppy administrative tangle which deserves swift effective action.

In an article elsewhere in this issue, The Post sets forth requirements for small boat operators. Since here is one place where our public servants have failed us, each launch traveller could well appoint himself a safety inspector and report on illegal operations.

The man to write to is Hon. J. E. Michaud, Minister of Transport, Ottawa.

The Town Paper at Work

One of the unique services performed by local newspapers in the towns and villages of Canada is the manner in which they foment, push and put over local enterprises. No other instrument approaches their power for good in this regard.

As a current example, there is the drive by the publisher of the Orillia Packet and Times to have that town honor an outstanding Canadian and, in the doing, to have that town honor itself; add to its own stature and dignity.

C. H. Hale, publisher of the Orillia Packet and chairman of the Public Library Board, had a project under way to bring together in the Orillia library a complete collection of the published books, articles, manuscripts, letters and other memorabilia of the late Stephen Leacock and to mark the collection with a bronze bust of the author. A committee to raise $1,500 has been formed.

Stephen Leacock long considered Orillia his home and many of his works were produced in his lovely rambling home at Old Brewery Bay. It was there that he began what was to be one of his last large and important works, the series of articles for The Financial Post entitled "What's Ahead for Canada."

The Orillia Packet and Times publisher and his committee are to be congratulated in their plan for honoring a great Canadian figure and for making the Orillia Library the chief seat of research into the Leacock saga.

O er Three Armies

While all the debate goes on about Canada's "two armies" the fact is we really have three, active, zombie and reserve.

In a letter to the Editor, an officer in a reserve army unit raises a very proper protest and points up the appalling humbug which the government's policy has produced.

The reserve army officer states:

> "I am a member of Canada's third and most neglected army, the reserve. It is made up of men who willingly have given their evenings and week ends and two weeks each summer to learn to do the job which the Zombie Army is now claimed to be intended for.
>
> "We were told when we enlisted in 1940 and are still told in pep talks that we are training and organized in case a hit-and-run attack is made on the coast.
>
> "Since danger of invasion is past, we are told our task is more important than ever. We must keep organized, we must continue to fine men for not attending parades. As we saw the situation improving, the danger to Canada less and less, we naturally had a harder time getting after-supper army recruits and keeping up interest in training.
>
> "The last straw is announcement in Parliament by Mr. Ralston and publication month after month in 'Canada at War' that the Zombie Army is kept in Canada just for that purpose. They are now said to be intended to do the job which we were told we were organizing and training for.
>
> "Numerous Canadians know so little of the setup that we are mistakenly presumed to be Zombies when we parade.
>
> "The cost of it all must be tremendous."

With this correspondent, thousands of Canadian reserve army men no doubt feel that the administration has been playing ducks and drakes with their loyalty and their eagerness to assist in the war effort.

Recent Quebec speeches demonstrate how disastrously the government's manpower policy of appeasement has failed. Both active and reserve armies are filled with contempt for the duplicity.

Delay Here is Serious

Developments in the war emphasize more than ever the supreme urgency of Canada getting her house in order swiftly to meet the new challenge of peace.

The most important key to what's ahead for Canadians is foreign trade. Our prosperity is directly geared to the business we do beyond our borders.

Is Canada's foreign trade machinery ready?

A few Canadian businessmen have long been energetic and astute in developing foreign business. Many Canadian businessmen pay lip service to foreign trade, but do little more than wait for foreign trade to come to them, on their terms.

Formation of the Canadian Exporters Association and assorted projects for making the Canadian businessman export conscious, promise results.

And on the efforts, the imagination, the adaptability of the individual Canadian businessman, the success or failure of Canada's foreign trade, to a very large degree, depends.

But what about that most important supplementary instrument of foreign trade—the Canadian government representation abroad—diplomatic and commercial? Is it ready? Has it the management, the staffing, the inspiration necessary to help Canadian businessmen raise our foreign trade to new high levels?

An interdepartmental committee has been at work for months on a proposal for merging our foreign representation, diplomatic and commercial. It seems to have made little progress. The blunt, unpleasant truth seems to be that in such a merger both groups, Trade and Commerce and External Affairs, fear that somehow their particular interests will lose out, will emerge with prestige diminished, that some of the less than adequate members of both departments will be turfed out or submerged.

With these co-ordination talks long dawdling along apparently almost without fruit, we have information which indicates that there is serious and not unexpected demoralization in Canada's immensely important Trade Commissioner Service.

Canada's future depends on foreign trade. In the modern world, trade and diplomacy are interdependent. The modern Canadian diplomat is no more only a tea-party lion than the modern trade commissioner is only a ringer of doorbells of prospective customers for Canada.

It is high time that this critical issue of the organization of our foreign representation was taken up at once at a high government level.

Complete integration of our foreign representation seems logical and indicated by modern need. A department headed by two deputy ministers, one on the trade job, the other on diplomatics, seems a realistic approach.

Ottawa should get ahead with this matter. This union will give us representation in many more important places than we can afford to cover if we must continue to split up our foreign representation. It will end the present serious unsettlement among both our foreign forces. But whatever the solution is to be, do something promptly and let both forces settle down to business.

The Cult of Security

> "For the past 10 or 20 years we have been obsessed with the economics of security. We have been thinking of stabilizing profits, keeping a fool from losing his money, social security, ironing out depressions, creating a situation where anybody who remained sober and didn't run off with somebody else's wife was assured of a comfortable old age."

Thurman Arnold said that a few years ago. For us it is particularly apt at this time, for Canada seems now to be in for a stupefying dose of legislation and regulation designed to provide us Canadians with security, guaranteed, absolute.

There is a lot of security in staying in bed. There is more of it if we lock ourselves in a bank vault.

The time of man's greatest security in recorded history was perhaps those long centuries marked chiefly by lack of change (and almost devoid of all progress) known as the middle ages. Born a serf, man had the "security" of knowing he would not become less than a serf, would not become anything more. The serf had the "security" of knowing that he would be always rather hungry and never overfed. The maker of shoes had "security" because stagnation does not produce new methods of making or disposing of shoes, nor of making better ones cheaper. The noble lord had "security" as a superior kind of man, as proprietor of the lives and lands in his inheritance, as operator of various monopolies, as beneficiary of what in the language of today were simply assorted kinds of graft.

The new era of opportunity, which produced the Renaissance, was also a new era of material insecurity. Old wrongs were righted. Fine old methods were blasted by finer new ones. The fool born to fortune toppled and the wise man born to serfdom soared.

No one today wants a Canadian to have the "opportunity", the "liberty", the "security" or the "individual right" to go without food or shelter. As "members one of another" our welfare is mutual.

But in the current headlong leap by all parties to provide what they call minimum social utility services, there is being created a new kind of insecurity.

There are millions of Canadians who do not want prunes for breakfast, who do want a civilization in which the taxi driver of today tomorrow rides in the back seat; in which today's big shot is tomorrow's soda jerk.

Is the era of security into which we are being rushed to give us merely animal security? There are indications that, for people who want something more than that, for the people of energy, character and courage, it may be an era of profound insecurity.

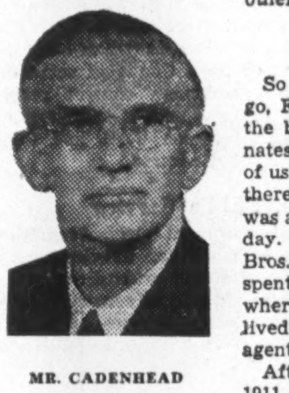
LETHBRIDGE "EYE-OPENER"

Cartoon by Grassick.

Post-Scripts . . . .

New Research Chief

A. F. G. Cadenhead, recently appointed director of the newly formed Department of Chemical Development of Shawinigan Chemicals, Ltd., is the sort of man who likes people and whom it is easy for other people to like.



MR. CADENHEAD

In fact, "the Skipper" (as he is known to his friends) is a living contradiction of the popular idea that research workers are a group of narrow introverts who can't be happy outside a laboratory.

Cadenhead was born Sept. 6, 1885, at Camden East, Ontario, and was educated at Pickering College, Newmarket, Ont., and Queen's University at Kingston, from which he graduated in April, 1914.

The following year he joined the 46th Battery, Canadian Field Artillery, but was seconded from the army for special duty with the Imperial Munitions Board. In 1916 he was appointed chemist at the Shawinigan Falls plant of Canadian Electro Products Co. which had just been formed to provide acetic acid and other chemicals urgently needed for war purposes. This company later was absorbed into Shawinigan Chemicals Ltd.

"The Skipper" stayed with this job until after the war was over, and then, in 1919, joined the Faculty of Queen's University as a lecturer in the Department of Chemistry. While at the university he met Dorothea Goodwin, daughter of Dr. W. L. Goodwin, Dean of the Faculty of Science at Queen's. Miss Goodwin was persuaded to become Mrs. Cadenhead.

In 1929 Cadenhead returned to Shawinigan Falls as Director of Plant Research at Shawinigan Chemicals, Ltd., a position he held continuously until his recent appointment. Under his directorship the research staff of Shawinigan Chemicals has been responsible for a number of new processes in chemical manufacture as well as the development of new products and these activities have been of particular importance to the country during the present war.

Cadenhead is a member of the Canadian Institute of Chemistry, having been elected a Fellow in 1920 and president in 1940-41, also is a member of the Electro Chemical Society where he has served on a number of committees, of the American Chemical Society, and the Society of Chemical Industry, Montreal Section, and has presented a number of papers before various scientific bodies in the United States and Canada. In addition he is a member of the Canadian Institute of Mining and Metallurgy and of the Engineering Institute of Canada.

"The Skipper," however, has not confined his interests to his chosen profession of chemistry. Fishing expeditions, prospecting for minerals, color photography, tinting and water coloring photos, golfing and curling are among his other activities.

• • •

Home Town Outfit

So far as Canadian industrial centres go, Fergus, Ont., is not a big place, but the big Beatty Bros. plant which dominates the town has long made a practice of using and developing local talent. And there was no variation when W. L. Ham was appointed general manager the other day. Ham has always worked for Beatty Bros. and but for a few youthful years, spent in the nearby village of Holstein, where he was born in 1895, he has always lived in Fergus. His father was station agent for the old Grand Trunk Railway.

After obtaining his matriculation in 1911, young Ham joined the firm of Beatty Bros., then manufacturing hay-tools and barn equipment. The next year the company built a new plant in Fergus and as the business expanded Ham became in turn purchasing agent, vice-president in 1929, and sales manager in 1940. He was chairman of the Ontario Section of the Canadian Manufacturers' Association in 1941 when the annual meeting was held in Fergus.

Like other Beatty executives Ham has taken a keen interest and responsibility in municipal affairs.

For 15 years he was a member of the Fergus Council, and reeve for four years. During his term of office, Fergus installed its sewage disposal system, and paved its main streets.

A Methodist prior to Church Union, Mr. Ham has been active in Melville United Church. For 11 years he has been recording steward and for 20 years was Sunday School superintendent.

His favorite sport is curling, and he is an active member of the Fergus Curling Club, the oldest in Ontario. His summer holidays are spent at his cottage on an island near Bala. He owns four farms in the Fergus District and recently purchased half of the famous Aberdeen Angus herd from James Bowman of Guelph. He also has nearly 200 purebred sheep and Yorkshire hogs.

Mr. Ham married Leila Woods, of Fergus, and they have four children.

• • •

Forest Stabilizer

The often conflicting and competitive interests of loggers, sawmill operators and other lumbermen were brought into focus for the first time in the history of Canada's forest industries when a national council representing these various groups was recently brought into being at Winnipeg conference. The pulp and paper industry is not yet a member but has been invited to join, it is stated.

The man largely responsible for initiating this movement, which may have a far-reaching effect in stabilizing conditions in the forest industries for many years to come is Robert McKee of Vancouver.

MR. McKEE

Mr. McKee has been familiar with the problems of the west coast logger for several years, but only during the past few months did he become convinced that all holders of and operators in timber had a common bond in the sense that their future welfare in the industry depended largely on an equitable adjustment of taxation.

Many loggers and timber holders in British Columbia realized that the present form of taxation, without allowance for depreciation, threatened the very life of the industry. But it remained for Mr. McKee to whip this contention into a national issue among all those engaged in the forest industry. The Winnipeg conference, called by Mr. McKee and other British Columbians, was only the prelude to what is expected to be a unifying force among timbermen from coast to coast.

Most of McKee's career has been in B. C., but he is Ontario-born, from the village of Ethel. He was with the Bank of Nova Scotia from 1906 to 1911, when he went west to join Vancouver Milling & Grain Co., of which he became general manager.

At 32 McKee organized his own export house, and Canada Grain Export Co., of which he is still managing director, was the result. Ten years after launching the company McKee established Pioneer Timber Co., which operates a camp at the north end of Vancouver Island. Since that time his interest has been pretty evenly divided between the grain and the timber business.

The Vancouver Board of Trade elected him president for the 1927-28 term; a year later he was made president of the Vancouver Grain Exchange, and then president of the Vancouver Merchants Exchange.

Although a comparative newcomer McKee was elected vice-chairman of the British Columbia Loggers Association in 1941 and two years later he became chairman of the association, a position which he still holds.

• • •

Business and Pleasure

Two years ago an audit expert, enthusiastic about music, got the real spot for combining business and pleasure. He is G. E. Fritz, new president of C. W. Lindsay & Company of Montreal, formerly vice-president and managing director.

Mr. Fritz came to Lindsays as an executive after he had done a special survey of company operations for an auditing firm of New York, N.Y., which specialized in retail and industrial management surveys. Lindsays liked his conception of new possibilities for the business and the directors told Mr. Fritz to put his own report into operation.

Native to Kentucky Mr. Fritz started as a young man to make a specialized study of business administration, especially in the retail field. This led him to start in business for himself as a management counsel. His work took him to Great Britain, France, Germany and Czechoslovakia.

He became manager of the City of Paris Drygoods Company in San Francisco. Later, a member of the merchandising board of B. Altman & Co., New York, he built up a more specialized experience in the retail merchandising field.

The new C. W. Lindsay president does not disclose his age. He is single.

"On the other (government) side of the House, they have been so accustomed to regimentation during the past four years, order in council government and the rest of it, that they are trying to out-CCF the CCFers and bring this whole thing under one control so that private enterprise has no opportunity at all."—*Karl Homuth (Prog. Con., Waterloo South), speaking in the House of Commons on the Aeronautics Act.*

Other People's Views . . . .

The Canadian Editorial of the Week

The Quebec Scene
The Montreal Gazette

The observation in these columns that not one of the parties contesting the provincial election admits to any recognition of the democratic principles for which the forces of the free world are fighting is reinforced by developments in the news. It is impossible to ponder their significance without realizing that the tides of war that have engulfed the world have left Quebec largely unmoved, that the purpose of the appeal now being made to the electorate is to confirm it in its isolation, and that the responsibility is shared in varying degree by men of all parties.

There are few candidates who have lifted their eyes from narrow provincialism to the wider horizon of world affairs, or have shown much awareness of the great principles of human liberty for which civilization is pouring out life and treasure. Most efforts are to minimize the war, to cushion its impact, to lighten its burdens and to lull the people into a false sense of security and self-sufficiency.

Where Quebec's sleepwalking will ultimately lead her we do not know. What we do know is that the rest of the country, a not inconsiderable territory, will watch the course of her power-seeking politicians with some degree of alarm.

It is hard to distinguish in the clamor of claim and counter-claim the authentic voice of French Canada. It is equally difficult to believe that this confusion of voices represents truthfully the French-Canadian people, with their long tradition of stability and order.

• • •

As Others See Us . .

Holiday Observations
The Listowel Banner

The Financial Post has a most interesting feature each week when enquiries are sent to businessmen in all parts of the Dominion on various subjects, Not only are the answers interesting but they are also instructive.

The Post asked this question: "Should all non-religious holidays be made uniform throughout Canada and be celebrated on the nearest Monday." There were 17 replies published and the most of them favored the Monday holiday.

There are exceptions. After all these holidays are to celebrate great national events or to pay respects to great men and should be observed as such. We do not think that July 1 should be celebrated on any other date except when it falls on a Sunday. Do you imagine that our American neighbors to the south would celebrate July 4 on any other date? We believe not.

• • •

Stop Me If . . . . .

"Mama, will there be any divorce in heaven?"

"No, my child, you have to have a lawyer to get a divorce."

What The Papers Are Saying . . . .

Biggest Provincial Cabinet
Ottawa Journal

It may be indicative of the CCF way of doing things that the Socialist party is to have in Saskatchewan the largest provincial cabinet in Canada. The cabinet is to consist of 12 men, each with a portfolio. Ontario also has a dozen ministers, but three of them are without portfolio; Nova Scotia gets along with six ministers, others have eight or nine.

Actually more than one quarter of the CCF members in the Saskatchewan House are to be cabinet ministers, getting $5,000 a year in addition to the sessional indemnity of $2,000. The Liberal cabinet had eight members at $6,000 a year, so there is a net increase in cost of $12,000 a year in salaries. But that, as Saskatchewan shortly will discover, is a very small item in the bill. Four new departments have to be organized, and these departments must proceed to spend the public money to justify the inevitable setup of deputies, assistants, clerks, inspectors, and so on.

To be fair, the CCF does not preach economy—in fact thrift is not much discussed nowadays on the political platforms. Socialism promises a reorganization of Society, however, and if 12 men are necessary to socialize Saskatchewan—omitting the farmers, at that—one wonders what sort of a cabinet Mr. Coldwell would find necessary were he to take over Parliament Hill.

Playing Fool With Bank Act
Halifax Chronicle

A thing of everlasting wonder is why on earth the members of the Banking Committee go on week after week listening to amateur doctrinaires wasting time airing their fantastic theories about money and doing nothing whatever toward forwarding their legitimate busines of getting to work on the Bank Act, while bankers with a lifetime of experience sit on the sidelines.

Obstructionists continue to hold the floor, laying all the sins of the universe at the doors of the bankers and blandly insisting that if only Canada will adopt their delightful theory that something can be got from nothing, all will immediately be well.

• • •

Socializing Land Basic
Edmonton Journal

As must be apparent to every reasonably minded person, neither farming nor any branch of the country's economic life can be excepted for long from a genuinely socialistic order such as the CCF would like to establish.

In an address in Edmonton some months ago the national leader, Mr. Coldwell, declared that his party proposed to change the present profit-making system to socialized ownership and socialized control and that it stood upon this "fundamental" principle.

Nothing could be clearer than that the present effort to make it appear that the farmers would be left by the CCF to carry on as they have in the past is a most hypocritical one. Its purpose is simply to enable that party to secure political power after which it will be free to give full effect to its socialistic ideas.

Mr. Coldwell has described the CCF as "a socialistic movement in exactly the same manner as the Labor parties of the British Commonwealth." But, on the same day that he said this, the Labor party of Great Britain came out as it had done before for "the acquisition by the State of all agricultural land as rapidly as possible, with the State to provide for its management."

• • •

The Mail-box

Permanent Daylight Saving

I was delighted to note that in your issue of July 1 you have taken up the question of having all national holidays, with the exception of Christmas Day and New Year's Day, celebrated on Monday instead of on different days during the week.

I would say that 90% of all business firms are in favor of this idea and I think I am safe in saying that over 90% of the employees would favor a Monday holiday as it would give them a long week end to celebrate.

Might I also suggest that you go into the question of daylight saving. The personal opinion of most business firms and a large percentage of employees is greatly in favor of daylight saving, but it must be universal right across Canada otherwise it is impractical.

If daylight saving could be made universal in the United States and Canada it would be fine, and if same could be extended say from April 1 to Oct. 1, it would be fine because there may be some reason why daylight saving should drop back in wintertime, although my own opinion is that the present system of having a universal time all the year round is perfect.

Yours very truly,
Vancouver. JAS. S. ECKMAN.

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$4,014,600 for Variety Stores

Construction and Equipment Plans for Postwar Told

Expenditure of $2,974,800 on land and construction for extension, repair, etc., of business premises in the first year after the war ends.

Expenditure of $1,039,800 for new and additional equipment for business premises in the same period of time.

This total expenditure of $4,014,600 represents the immediate postwar expansion plans of Canada's 1,085 variety stores, which in 1941 had a dollar sales volume of $85,177,000. The estimate is based on a survey conducted by the Postwar Research Department of The MacLean Publishing Co. Ltd.

Geographic Distribution

Geographic distribution of these stores in 1941 follows:

Province:	%
Prince Edward Island	.6
Nova Scotia	6.0
New Brunswick	4.5
Quebec	24.6
Ontario	51.8
Manitoba	2.8
Saskatchewan	3.2
Alberta	2.4
British Columbia	4.1

Respondents controlling 99% of the stores which replied to the survey said they planned to make some extensions or repairs to their buildings. All of those replying indicated their intention to buy equipment for their stores in the first year after the war.

Favored New Equipment

Lighting equipment, display stands and store fronts topped the new equipment the merchants said they planned to purchase, with respondents which control 89% of the stores represented in the survey putting these items at the head of the list. Next came window display fixtures, 85%, and then ventilating equipment and cash registers, both 85%. Following were heating equipment 84%, display tables 83%, and air conditioning, plumbing equipment and store furniture with 79%. Display cases 76%, metal signs 73% and safes, vaults, etc., 67% followed.

Also high on the variety stores' postwar shopping list are: office furniture, soda fountain equipment, filing cabinets, adding machines, typewriters and tile flooring.

Many to Add New Lines

New lines of merchandise will be added by respondents controlling 53% of the stores which replied to the questionnaire. They plan to carry a greater variety of merchandise, but did not mention any specific lines.

As an indication of the trend after the war, respondents controlling 80% of the stores represented in the survey said they planned to open additional stores. Some proprietors pointed out that the number of new stores they opened would depend on how quickly suitable locations could be acquired.

Enlarged premises are planned by respondents controlling 36% of the stores represented in the survey.

Brief comments of some of the variety store merchants follow:

"The expansion program and opening of additional stores depends greatly upon the supply of building materials and labor available as soon as restrictions are lifted."

"We hope to expand by opening three or four new stores as soon as possible and to explore the field in other communities, particularly medium-sized towns."

"Our plans are based on a slight increase in sales this year, with a levelling off toward the end of the year and a slight decrease during the first year after the war."

Victory Over the Sawfly

Eighteen-year Struggle May Save Millions for Farmers

In the House of Commons a few days ago the curtain was lifted briefly on the never-ending battle being waged by agricultural scientists and researchers against the inroads of insect pests and other factors harmful to farm crops.

The particular point at issue in this case was the wheat stem sawfly, which, it is estimated, did damage to western Canada grain crops last year of some $30 millions.

In a sentence or two, Agriculture Minister Gardiner reported development of two strains of wheat of a "high quality which is of a solid stem character, hence not susceptible to loss from the sawfly," at the Swift Current, Sask., experimental station.

An 18-year Struggle

The story of how two expert agriculturists worked quietly, efficiently and with infinite patience at the Swift Current station for 18 years before achieving a success that may mean millions of dollars saving annually to western farmers was filled in by Roy T. Graham, (Lib., Swift Current).

In a "brief history" of the fight against the sawfly, Mr. Graham said the idea originated in the mind of H. J. Kemp, now assistant superintendent at the Swift Current station, in 1926. In charge of the experiment since its inception was A. W. Platt, cerealist at the station.

"I think," said Mr. Graham, "we in parliament should pay tribute to these men who accomplish these miracles; who find out the laws which govern these things, and do a work which is so beneficial to mankind."

How Sawfly Operates

Mr. Graham explained the operations of the sawfly this way: the insect deposits its egg inside the stem of hollow-stemmed wheat when the plant is in the boot stage. When the egg hatches, the young grub feeds on the wheat tissues, later moving on down to the base of the stem, cutting it when the plant nears maturity.

Solid-stemmed varieties of wheat provide the answer to the sawfly problem. When the young grub emerges from the egg it runs into difficulties. There is little suitable food for it in the pith cells, and it has a hard job making its way to the base of the stem, generally dying before reaching its objective.

The problem of wheat experts Kemp and Platt then, was to evolve a wheat strain with a solid stem, resistant to the sawfly and other crop threats, and yet of a quality high enough to compete with a variety such as Marquis. They apparently have succeeded in this, for Mr. Gardiner announced the new strains are of a "quality comparable to that of Marquis."

Mr. Kemp, after noticing that certain solid-stemmed wheat was not damaged by the sawfly, saw in the development of this hard-stemmed variety a possibility of foiling the sawfly.

Experimentation Starts

Then began a chapter of experimentation as thrilling as any that graces the annals of Canadian agriculture. The Swift Current experimenters knew that New Zealand wheat was noted for its hard-stem qualities, so they sent to the sister Dominion for seed of this variety. That, however, was only the beginning. True, the New Zealand wheat was too tough for the sawfly to chew, but it had other undesirable qualities which had to be bred out if it was to be developed into a grain suitable for Canadian production.

New Zealand wheats were susceptible to stem and leaf rust and smut. Their milling and baking qualities were poor, they were weak-strawed and shattered readily.

The problem, said Mr. Graham, "was to combine the sawfly resistance of those (wheats) with the disease resistance and other desirable characteristics of the best Canadian varieties."

The western scientists set to work, crossing the New Zealand wheats with Renown, Thatcher, Apex (noted for their rust-resistant qualities), and with other unnamed hybrid lines. From this particular experiment about 300 seeds were produced, all of which were sown individually, as well as the 30,000 seeds produced from the original 300.

300 New Strains

Mr. Graham continued: "Their progeny was a veritable maze of different types; some resembled one parent, some were more like the other, while all possible combinations of intermediate types were produced. Out of these plants the desirable ones were again selected, and grown in a short row. This was repeated for two or three years, at which time a portion of the rows ceased to break up. (The shattering qualities of the New Zealand wheat had been conquered). Then, instead of selecting individual plants, whole rows of true breeding plants were selected. These were the new strains about which the minister has spoken." In these experiments, some 300 strains were obtained.

Each of these strains then had to be tested, to make sure they had the characters desired, to find out which ones were best suited to various districts where they would be needed.

Get Severe Test

All the strains were tested for resistance to sawfly, at experimental stations in all the three western provinces, where "conditions were made as favorable as possible for the sawflies, so that the new strains would get a severe test."

But resistance to sawfly was not enough. The new wheat strains had to be able to ward off the insidious attack of rust, so they were subjected to further experimentation at the Dominion Rust Research Laboratory at Winnipeg.

Finally, to speed up the experiments, land was secured in the state of California, where two crops a year can be grown, an immense advantage to experimental work.

Hard, Complex Task

Of the work, the steady application to their tasks, of these experimenters, Mr. Graham had this to say: "I was astounded by the immense number of seeds and plants, running into the hundreds of thousands, which have to be handled, selected and chosen by those conducting the experiments. It requires a degree of patience amounting almost to genius, and I am sure this is one place where that patience paid substantial dividends."

The strains have now been finally selected, said Mr. Graham, although they have not yet been "perfected in every desirable quality." This is in part due to the fact that light affects the wheat's sawfly resistance. Grown in shade, these crops produce stems completely hollow and even when grown in the open, if the crop is thick and tall and the plants shade each other, some hollowness is frequently shown.

They are, added Mr. Graham, "most solid and most resistant in years when the crop is thin and light, and least solid and least resistant in years when the crop is thick and heavy."

One of the Difficulties

Fortunately, the stems generally are solid in the sawfly area in the south, although in the parklands of northern Alberta and Saskatchewan they are frequently hollow. That, remarked Mr. Graham, "is an example of one of the difficulties with which our research workers are confronted."

In closing, Mr. Graham drew attention to the fact that "until recently at least, Mr. Platt was receiving a salary of only slightly more than $2,000 a year . . . To me there is something inconsistent in the amounts paid to men like Mr. Platt and the very great salaries paid to, say, moving picture stars and others, having regard to the contribution they make to society. In view of the contribution to the welfare of mankind made by men like Mr. Platt and many others, I think it is time we took stock of our attitude toward these invaluable men."

The Week in Business

	June	May	Apr.	Mar.	Year Ago
▪Financial Post Production Index	248.5	255.3	260.9	263.5	256.0
National Income, D.B.S. (c)	....	....	*2,845	....	*2,581
Dom. war expend. (million $)	298.1	52.9	303.4	....	261.7
Dom. total revenue (do.)	233.8	281.5	165.6	....	201.6
Dom. total expend. (do.)	383.5	139.5	389.5	....	327.4
Dept. store sales index no.	....	160.0	174.0	174.0	138.7
Retail sales index no.	....	169.1	175.2	177.4	154.4
Wholesale sales index no.	....	193.9	171.2	189.0	163.6
Country store (% change pr. yr.)	....	+8.7	+11.0	+11.5	+14.5
Divd. payment index♦	129.3	128.4	128.0	127.9	123.5
▪Bank deposits (1935-39=100)	208.1	193.4	187.5	181.0	193.4
▪Cash and cheque pay. index	....	267.5	183.5	193.1	213.3
▪Bank debits (1935-40=100)	....	224.5	175.4	188.8	183.0
▪Money supply (c)	....	5,915	5,399	5,260	4,878
NEWSPAPER % OF CAPACITY—					
Production ratio	....	68.3	66.4	65.6	68.6
Shipment ratio	....	71.8	72.1	60.3	69.6
RAILWAY FREIGHT LOADINGS—					
Tons (D.B.S. index)	....	221.3	209.3	216.1	191.7
Car (D.B.S. index)	....	159.6	146.1	156.7	142.5
COST OF LIVING—					
D.B.S. index	119.0	119.2	119.1	119.0	118.5
EMPLOYMENT INDEX No. D.B.S.—					
All industries	....	....	180.5	181.7	180.6
Manufacturing	....	....	225.5	226.5	224.3
Payrolls (June 1/44=100) (b)	....	145.2	147.3	149.1	138.5
Payrolls (1937=100) (a)	....	210	204	228	225
RAILWAYS—	1944	1943	1944 Jan. 1 to date	1943	Change %
▪Carloadings (week July 15)	70,691	67,580	1,933,156	1,783,062	+8.4
▪C.P.R. gross (week July 21) $	6,077,000	6,224,000	157,673,000	139,930,000	+12.7
C.N.R. gross rev. .. (May) $	36,369,000	37,073,000	176,190,123	171,224,000	+2.9
▪C.N.R. net rev. .... (June) $	8,435,000	9,368,000	40,983,00.	44,935,000	—9.1
C.P.R. gross rev. ... (May)	$27,316,649	24,205,061	127,918,069	111,533,314	+14.6
C.P.R. net rev. ..... (May) $	4,470,359	4,313,413	18,141,958	16,781,725	+8.1
IRON AND STEEL—(May)—					
Pig iron production (tons)	175,207	154,746	787,624	718,900	+9.4
Steel production .... (tons)	263,431	271,737	1,271,833	1,259,652	+.09
CONSTRUCTION—					
▪Contracts awarded (June) $	37,315,400	20,478,700	152,737,700	102,126,800	+40.1
Building permits .. (May) $	16,869,573	8,663,882	47,861,088	27,199,620	+75.9
Cement prod., bbls. (Apr.)	393,923	459,575	1,044,824	1,468,809	—28.9
AGRICULTURE—					
Flour prod. bbls. .. (May)	1,962,264	2,099,996	10,307,006	10,304,154	+.03
Cattle sales▲ .... (May)	120,810	87,876	523,266	402,130	+30.1
Hog sales▲ .... (May)	948,888	542,301	4,555,594	2,697,624	+69.0
SEA FISHERIES—$					
Catch, cwts. .... (May)	1,183,499	1,182,427	2,962,769	2,916,102	+1.6
Landed value .... (Apr.)	1,768,272	1,665,654	5,295,495	4,400,378	+20.3
NEWSPRINT—					
▪Production, tons ... (June)	246,864	257,845	1,480,439	1,443,670	+2.5
▪Exports, tons ...... (June)	251,700	252,833	1,376,721	1,360,992	+1.2
MINING AND OILS—					
‡Coal prod., tons .. (May)	1,289,723	1,317,704	7,152,501	7,351,355	—5.5
▪Gold rec. (fine oz.) (June)	255,402	298,416	1,514,517	1,917,911	—21.1
Petroleum prod.* brl. (Apr.)	717,452	803,583	2,948,251	3,231,038	—8.7
ELECTRICAL POWER OUTPUT—(May)—					
Total monthly 1,000 kw.h.'s	3,584,515	3,511,201	17,203,640	16,311,543	+5.5
FOREIGN TRADE—♦					
Imports .... (May)	159,038,000	154,393,000	712,050,000	692,922,000	+2.7
▪Exports .... (June)	343,158,000	249,232,000	1,746,268,000	1,277,763,000	+36.6
OTHER INDUSTRIAL FACTORS—					
Shoe prod., pr. ... (Apr.)	2,908,348	2,918,389	11,917,173	11,512,748	+3.4
Cotton consump., lb. (May)	14,656,680	14,223,466	74,198,737	78,810,778	—5.8
Cigarette cons. No.† (June)	934,707	775,261	1,393,935	1,251,863	+11.3
FINANCE—					
▪Bank debits† ...... (June) $	5,219,352	4,349,609	29,927,014	25,467,386	+17.5
Bond sales† .... (May) $	73,764	1,438,201	1.676,497	3,273,529	+48.7
Life insurance sales (May) $	53,775,000	49,726,000	272,574,000	228,400,000	+19.3

‡Unrevised figure covering N.S., P.E.I., N.B., Que., B.C. †000 omitted.
▲Total at yards and plants. ▪New items for week.
♦Supplied by Nesbitt, Thomson & Co. (c) 000,000's omitted. ♦Gold excluded.
(a) Compiled by Canadian Bank of Commerce (b) All industries.
*Cumulative 4 months. *Excluding Northwest Territories.

600 Million Bu. Moved In Record Crop Year

Total Disappearance of 440 Million Bu. Wheat Another New Mark — Cereals Committee 'Aid to Efficient Distribution

With wheat in the picture once more as a commodity in great demand internationally, Canada's crop year is ending July 31 with a couple of new records tucked under its belt.

According to present estimates, states George McIvor, chairman of the Canadian Wheat Board, total grain movement for the crop year will be 600 million bushels, 60 million bushels greater than the previous record, set in the banner year of 1928. This includes all wheat, moved internally, by railway, from country points to terminals, mills, etc.

Disappearance Record

Mr. McIvor, in Toronto briefly last week, on his way back to Winnipeg from a meeting in Washington of the Cereals Committee of the Combined Food Board, of which he is chairman, added that figures for total disappearance of wheat for the 1943-44 crop year have set another record.

Total disappearance, that is shipments of wheat for all purposes, for consumption as food, as feed and for industrial use, has reached 440 million bushels in the present crop year. This will leave a carryover in Canada of about 330 million bushels at the start of the 1944-45 crop year.

Not Worrying Over Carryover

That is a lot of wheat, so much, in fact, that it would be a headache to grain men in peacetime. But, says Mr. McIvor, under present conditions they are not worrying. From 100 to 150 million bushels would be a satisfactory carryover for a normal, or peace, year, but with unforeseen and probably heavy demands likely once the war ends, the 330 million bushel carryover is like money in the bank for Canada.

Export picture to the U. S. is far from clear at present. Annual imports of some 700,000 bushels of wheat are permitted under U. S. regulations, of which some 690,000 bushels is taken up by Canadian exports. When the need is great, as it has been in recent months, more wheat than the stipulated quota can be imported by special presidential decree. Commodity Credit Corporation, the American grain buying agency, has purchased about 90 million bushels of Canadian wheat since Jan. 1, 1944, said Mr. McIvor, as well as considerable quantities of oats and barley.

What American needs will be in the immediate future is difficult to ascertain at present. Present U. S. crop prospects are excellent, as they are in Canada, but the picture will clarify itself in a month or so, when the American wheat and corn crop has been cut and stored away.

Food Board Efficient

Dealing with another phase of his activities, Mr. McIvor commented on the efficiency of operations conducted by the Combined Food Board, saw in it a lesson for smoother, more workable trade and international relations in the postwar era.

The Cereals Committee which Mr. McIvor heads is one of other similar committees, dealing with other foods, and all operating under the Combined Food Board set up jointly by Britain, America and Canada.

The Cereals Committee, and the other committees, meet once a month at Washington, where they get the complete picture of the supplies available, the needs of the Allied countries, the shipping and other means of transportation available to move the required food to where it is needed. Then they figure out the closest and most direct routes between the supplies and the markets, and recommend the necessary course of action to their various governments.

It is a system that works, says Mr. McIvor, a fact well proved by the speed and efficiency with which food supplies are kept moving to the world-wide battle fronts and the civilian areas behind the lines.

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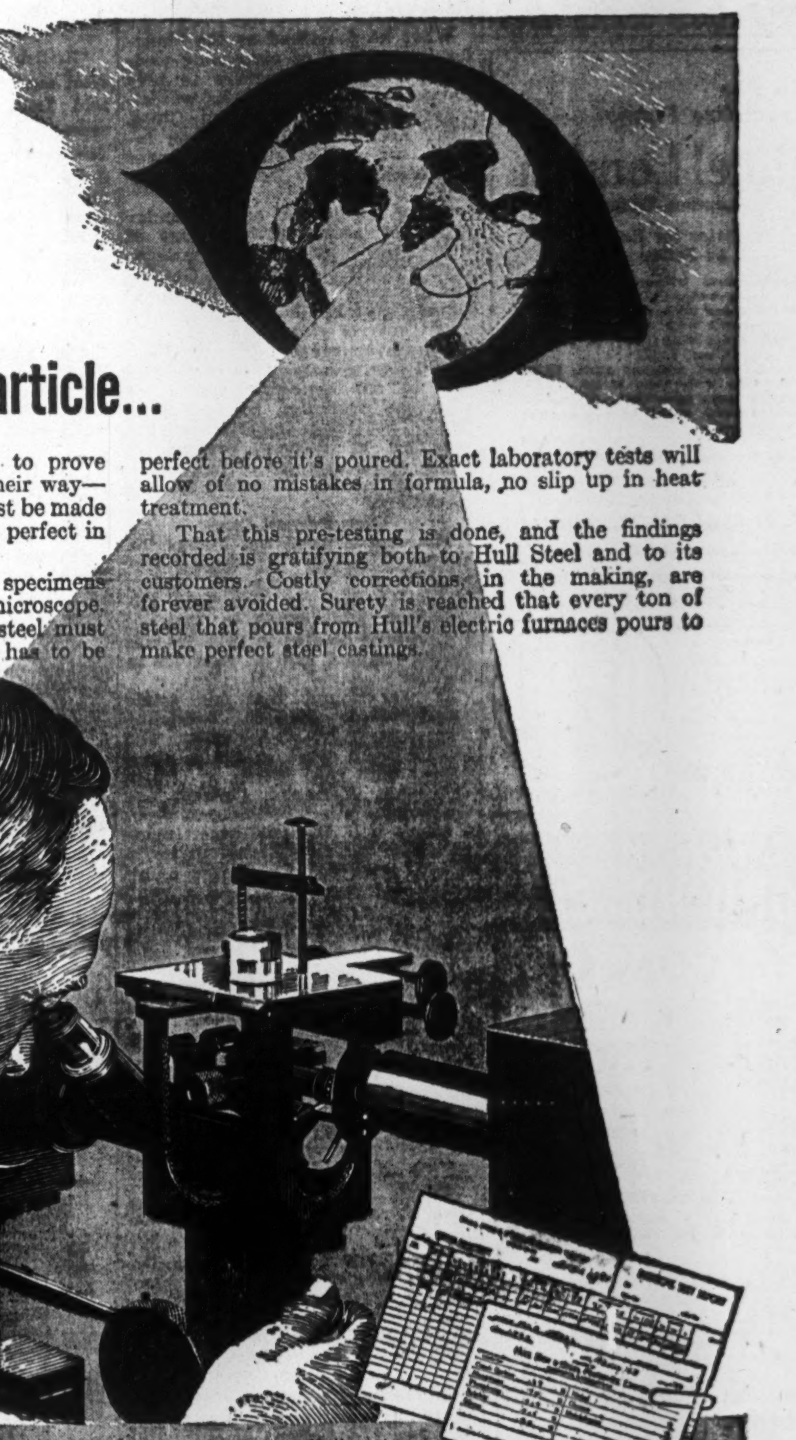

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Car Insurance Maintained

Truck Increase Offsets Passenger Model Decline

Despite gasoline rationing, tire restrictions and other factors tending to reduce motor vehicle traffic, the automobile insurance business is estimated to be holding close to the level of last year, according to opinions gleaned from insurance company executives.

Accurate statistics for the six months ended June 30 are not available yet, but views expressed in different quarters were largely in agreement.

Gasoline rationing, while curtailing substantially the mileage of many vehicles, does not appear to have reduced the number carrying insurance since the beginning of the year.

Fewer Passenger Cars

This is partly accounted for by the fact that while there are believed to be fewer passenger automobiles insured there are more commercial vehicles covered.

Statistics of motor vehicle registrations issued by the Dominion and Ontario Governments indicate clearly that while there are fewer passenger car licenses being issued, there are more trucks and buses registered. Thus, according to the Dominion Bureau of Statistics, passenger car registrations throughout Canada in 1943 totalled 1,193,827, down 23,123 from 1942, a drop of 1.9%, while truck registrations increased 10,419, or 3.6%, to 294,196.

According to statistics of the Ontario Department of Highways, passenger car registrations in the province dropped 2.2% between June 30, 1943, and June 30, 1944, while registrations of commercial vehicles rose 4.7%.

High Damage Awards

In addition to the increased registrations of commercial vehicles a factor which has had considerable influence on the situation is the fear of high damages being awarded if a motor vehicle, whether private, passenger or commercial, is involved in an accident causing bodily injury to some person. An example of this is the Martin-Deutch decision last March, when damages of $115,000 were awarded the injured party. In other cases awards, while not so high, have been substantial. Motor car owners, both private and commercial, in many cases, have increased their public liability and property damage substantially as a result. The standard limits for public liability of $5,000 for injury to one person and $10,000 for one accident no longer are regarded as safe. Many motorists feel that limits of $10,000 and $20,000 or $20,000 and $40,000 are more reasonable, while others again think $50,000 and $100,000 are better. The same condition prevails as regards property damage, the standard cover of $1,000 being considered by many inadequate.

An example often quoted regarding the need of larger insurance cover is that if a motor vehicle hits a large bus fully loaded, the public liability and property damage might easily run into many thousands.

Premium income in 1943 showed a drop from the previous year of about 9%, which was much less than had been expected, due to lower premium rates effective in 1943, as well as reduction in the number of private cars on the road. In some quarters a drop of as much as 20% was expected.

In some quarters it is believed that while there are fewer passenger cars on the road now due to tires, motors and other items wearing out, a larger proportion of those being driven are insured.

According to figures collected by the Ontario Department of Highways less than 50% of the vehicles of all kinds registered in the province from Jan. 1 to Nov. 30, 1943, were insured.

Claims, it is estimated, are higher in frequency than a year ago, but the individual dollar value lower. In other quarters, fewer claims are reported but the dollar value of the individual claim is higher.

Consensus of opinion is that motorists generally are driving more carefully, realizing that accidents now are much more costly than in normal times. Spare parts not nly cost more but often take a long time to get and repairs take a long time to make.

Life Insurance at Work

Case Histories of the Results of Wise Insurance Buying Based on Actual Cases — Names Altered

This is the fourth of a series of articles on the successful use of insurance, based on actual cases where it has solved specific problems for individuals and business concerns. Names, where used, have been altered. Readers acquainted with similar cases of successful applications of insurance principles are invited to submit them for publication.

THE PROBLEM

A young doctor, 30 years of age, just building up his practice, wanted to be sure his wife, also aged 30, and two-year-old son would be left independent if he died. He had $10,000 life insurance but little else. He felt that if he died his wife would have considerable expense for his funeral, etc., and would probably have to change her mode of living considerably. He calculated that the least she could get on with was an income of $1,200 a year until the son was able to fend for himself. After that she would probably need less. As interest rates were uncertain he was anxious that she be assured the desired income irrespective of any changes in the investment field. He also thought if he could arrange that she would have a sufficient amount of ready cash when she reached 50 and the boy was 22 she could then probably buy an annuity to keep her the rest of her life.

THE SOLUTION

He decided to take out another $10,000 life insurance policy with family income clause attached. Under this policy, if he died within 20 years of taking it out, his wife would get $100 a month, for the part of the 20 years that was left and at the end of that time get, in addition, the full $10,000 face value of the policy. He also had the $10,000 original insurance in force.

Within two months he died of cerebral meningitis.

THE RESULT

Here is what his wife got. At his death she received a cheque for $10,000, out of which she was able to pay all outstanding debts, all hospital and funeral expenses and have a substantial sum left to tide her over a period of readjustment to a new set of living conditions. In addition she is getting a $100 cheque each month for 19 years and 10 months from the time her husband died. When that period is up, the child will be 22 and able to look after himself, and the widow, then 50, will receive a cheque for the face value of the policy — $10,000 which she can use to buy another annuity for the rest of her life.

The premium on the last $10,000 was $595. She will receive over $35,000 from it, in addition to the $10,000 on the first policy.

Features of this settlement were the payment of two substantial lump sums giving her ready cash at two periods of readjustment, with an assured income in between. Meanwhile, interest rates have fallen substantially but the income of $100 a month goes on just the same.

House Member Raps Multiple Death Duties

5 Govts. Took $50,000 of $180,000 Estate, Says Adamson

What he described as the "indefensible policy" of permitting various governing authorities to levy succession duties on estates was attacked by A. R. Adamson (Prog. Con., York West, Ont.), when income tax resolutions were under discussion by the House of Commons.

Citing the case of one particular estate of nearly $180,000, but of which four provincial governments, British Columbia, Manitoba, Ontario and Quebec, plus the Dominion Government, had taken a succession duty "cut" of close to $50,000, Mr. Adamson asked that Finance Minister Ilsley give "serious consideration to an immediate conference with the provinces, so that these double and triple imposts shall not continue to destroy particularly assets of a clergyman of the church who was leaving his entire fortune to charity."

Cites Burgett Case

The case in point was that of the estate of Arthur E. Burgett, formerly bishop of Edmonton. Bishop Burgett retired in 1940, said Mr. Adamson, and settled in Victoria, B.C., where he died in 1942. He was unmarried and had no relatives in Canada.

It was found that his estate amounted to $179,469, consisting almost entirely of securities, and among them were stocks in companies with head offices in British Columbia, Manitoba, Ontario and Quebec.

In his will, Bishop Burgett made provision for an old servant up to $14,000 or $15,000. the residue of his estate, $163,914, apart from a small bequest for the Diocese of Edmonton, was given for the aid of divinity students at Bishop's College, Lennoxville, Que., and Trinity College, Toronto, and for missionary work in the ecclesiastical province of Rupert's Land.

All four provinces, in addition to the Dominion Government, claimed a part of the estate, as follows:

British Columbia—	
Probate duty	$2,190.45
Succession duty	12,828.98
Manitoba	37.08
Ontario	11,647.42
Quebec	12,865.65
Dominion, duty on estate less ½ of charitable gifts	9,191.89
Total	$48,761.47

Took 27%

Mr. Adamson added that the Dominion also claimed the "forgiven" portion of the 1942 income tax which, with other income tax assessments, amounted to about $2,000 additional. The several governments, he said, took approximately 27% of the estate — "none of these taxing bodies made any allowance for duties paid in other jurisdictions in estimating the taxation rate which was fixed on the aggregate value of the estate everywhere."

Replying, Mr. Ilsley thought there was much to be said for handling succession duties "by one administration only . . . We proposed once that all succession duties be handled by the Dominion, but we didn't get very far." He would not agree that charitable donations be entirely exempt from succession duties. "I cannot help thinking that one very important purpose for which money should be devoted is the transaction of the important business of government."

Insurance Big U.K. Export

"British insurance business as a vital element in our export trade," said Lord Courtauld-Thomson in presenting the 63rd annual report of The Employers' Liability Assurance Corp. recently, "needs emphasis especially at this time when the restoration of our foreign commerce must have a front place in any future planning. For 'The Employer,'" he continued, "I can say that, in a renewal of that pioneering spirit which originally took the benefits of insurance round our Commonwealth and elsewhere in the world, we look forward to making our contributions to that revival."

Summarizing the results for 1943, Lord Courtauld-Thomson said total premium income was £6,805,931. Underwriting profit, after deducting Dominion and foreign taxes, together with gross interest income, amounted to £557,073. Total taxes, British, Dominion and foreign, amounted to £652,836, substantially more than was paid out in dividends to shareholders. After payment of taxes and dividends, the amount of £613,598, an increase of £51,367 for the year, was carried forward, in addition to the general reserve which is maintained at £2,500,000. Investments have been increased by £415,259 and amounted to £10,981,518. Premium income in Canada for 1943 for The Employers' Liability and its associate, amounted to $2,216,389.

WAR CALLS FOR THRIFT

When the government wartime programme calls for money, be prepared. Be in a position to write your cheque. Have a balance in your savings account constantly growing. Open an account with the Canada Permanent and make deposits regularly and systematically.

2% on Savings—Safety Deposit Boxes $3 and up —Mortgage Loans.

CANADA PERMANENT
Mortgage Corporation
Head Office, 320 Bay St., Toronto
Assets Exceed $61,000,000

IT'S all that, our North Country. A postwar opportunity, too.

Noorduyn knows what the Northland offers—what it demands. A vast frontier of undeveloped resources, of hidden treasure—beckoning to the enterprising—ready to reward those who follow the northern air trails blazed by intrepid bush fliers and by the far-sighted Canadians who financed them.

Noorduyn's "Norseman" planes have loomed large in the picture of the Northland's development. Designed for bush flying, for small and rough landing surfaces, for short take-off, for heavy loads, for wheels, skis or floats—on every test demanded by the North the Norseman has come through.

Today all of Noorduyn's design and production is engaged in serving Canada's war in the air. But, tomorrow, when the war planes are finally grounded Noorduyn's Norseman—newer, finer—will again be flying the North, developing and serving Canada and the world.

NOORDUYN AVIATION LIMITED MONTREAL
MAKERS OF THE "NORSEMAN", ONLY CANADIAN-DESIGNED PLANE IN PRODUCTION

A PITCH AND GRAVEL roof actually seals itself somewhat after the manner of the self-sealing gas tanks on modern war planes. Here is a factual story by way of illustration:

Normally, roofing may be laid in all but the worst of winter weather. However, due to pressure of war emergency, it was necessary to lay a Murray Registered Roof in Eastern Canada under storm conditions. With spring thaws came signs of leaking.

The manufacturer called in a Murray Inspector. He made an examination of the roof and pronounced it satisfactory. "The first warm days will make your roof perfectly water-tight", he said.

An early rain proved that he was right. The heat had softened the pitch sufficiently to seal the small fissures which occurred because of too-fast cooling of the pitch when applied under blizzard conditions.

This process of self-sealing goes on every summer with every Murray Pitch and Gravel roof. Thus the "chapping" caused by the battering of winter is naturally healed by summer warmth (this quality is unique to pitch and gravel roofs).

That is why, when you specify a Murray Registered Roof of Built-up Pitch and Gravel, you may be assured of definite, *lasting* roof security. First grade materials, competent workmanship, skill in planning, careful inspection service during and after the actual roof application — these are some of the reasons why Murray Registered Roofs give such outstanding service — why roofs of Murray Built-up Pitch and Gravel are recognized as tops in roofing.

A complete, detailed report and a plan of every Murray Registered Built-up Pitch and Gravel Roof is placed in the Murray permanent files for reference and for follow-up inspection service.

FREE ROOF INSPECTION SERVICE

An experienced Murray Roof Inspector is ready to give you a complete report on the condition of your roof. Write or phone our nearest office. This service is FREE for the asking.

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THE WASHINGTON LETTER

New Wheat's Lower Protein Count Compels Adjustment in U.S. Bakeries

By LAWRENCE SULLIVAN

WASHINGTON.—The lower protein content of the U. S. wheat has forced a change in the army buying specifications for both domestic and overseas flour. Army baking tests show that the new crop is running 1.5% to 2% lower in protein than the 1942-43 crops.

"On future purchases of flour by WFA for delivery to lend-lease, specifications will permit delivery of flour containing, on the basis of 13.5% moisture, a minimum of 10.25% protein, maximum of 0.45% ash (figured on a moisture-free basis minimum of 11.85% protein and maximum of 0.52% ash). Up to this time, WFA specifications for hard wheat straight flour were, on the basis of 13.5% moisture, a minimum protein content of 11%, and a maximum ash content 0.48%.

"The Army Quartermaster Corps has changed its specifications on bakery flour, reducing minimum protein requirements from 12% to 11% and leaving maximum ash unchanged at 0.45%. Its specifications on flour for foreign civilian relief uses have been changed from a minimum of 11% protein to a minimum of 10.25% protein with ash unchanged at 0.45%."

Minor adjustments in bakery production routines will be necessary to handle the new-crop flour. These problems are being analyzed in detail by the American Association of Cereal Chemists and the American Institute of Baking, but there need be no impairment of the quality of the baked product. In the words of Dr. C. H. Bailey, a member of the baking institute's scientific advisory committee: "In those regions of Europe which produce the finest bread, and where bread consumption is greatest, the bakers never saw flour of protein content as high as we will have this year."

Because of the short carryover, 1944 wheat already is moving into milling production.

WFA attributes low protein content to unfavorable weather conditions, rather than the shortage of fertilizers.

World Wheat Survey

The four principal wheat exporting countries carried combined reserves of 1,170,000,000 bushels on July 1 this year, the Department of agriculture reports.

This figure represents a decline of 575,000,000 bushels under July 1, 1943, but still leaves a comfortable margin of world supplies. During the five pre-war years 1935-39, the average annual July 1 carryover of these four producers was only 457,000,000 bushels.

The extraordinary decline from a year ago marked the sharpest 12-month reduction in history, due chiefly to the tremendous use of wheat in the U. S. for animal feeds and industrial alcohol for explosives.

On the basis of current crop prospects and anticipated world consumption, the combined carryover of the big producers will be about the same on July 1, 1945.

"Total stocks at 1,170,000,000 bushels compared with 1,748,000,000 last year and with the average of 457 million for the 5 pre-war years 1935-39. The decline of nearly one third from a year ago is the greatest change in carryover supplies in one year's time on record. It resulted in part from the smaller 1943 wheat harvest in the four countries and in part from the extraordinary demand for wheat for non-food purposes.

Canada's Wheat For Feed

Virtually all the decline occurred in North America, where it was about equally divided between Canada and the United States. In the United States the apparent disappearance during the 1943-44 season exceeded production by more than 400 million bushels. This not only reduced United States stocks but also drew heavily upon those in Canada.

"Domestic disappearance in Canada was expected to reach the record figure of 191 million bushels, largely as a result of increased feeding. In addition, exports have been unusually large due principally to the feed demand in the United States.

"Some reduction has taken place in Argentine stocks but they still are near a record total. Some reduction from last year is indicated also for Australia as a result of the small 1943 havest.

"Of the total July 1 carryover of 1,170,000,000 bushels in these countries, approximately 700 million may be considered surplus available for export and for any above-normal domestic uses or for carryover at the end of the year.

"Supplementing this year's July 1 carry-over from the old crop it now appears that 1944 harvests will provide an additional 400-450-million bushel surplus in North America and another 100-150 million bushels in the Southern Hemisphere countries of Argentina and Australia, if about average yields are obtained.

"Unless unexpectedly large shipments to Europe are possible during the 1944-45 season, total carryover stocks in the big four exporters on July 1, 1945, will not be greatly changed from those on hand at that date this year."

Adequate Postwar Lumber

Assurance that there will be adequate lumber to meet the acute housing shortage after the war was given this week by the National Lumber Manufacturers' Association. Manpower is the bottleneck on wartime production, as is demonstrated by the rather astonishing fact that even in these war years the U. S. still is taking less saw timber from its forests than during the prosperity years 1923-28.

"Despite the war, the United States is taking less saw timber from the forests now than during the years between 1923 and 1928," said George T. Gerlinger, president of the NLMA. He predicted that shortly after the war U. S. sawmills could probably increase production quickly because of expected availability of additional workers in woods and mills and of new logging equipment to replace the present worn machinery.

Loss of more than 60,000 skilled workers from woods and mills has been responsible for the decline in lumber production in the last two years, according to Mr. Gerlinger. Production probably will be less than consumption again this year, but all essential military requirements will be met.

Packing Consumes Good Half

More than half of all the lumber produced in the United States this year will be required to pack and ship provisions, munitions, and equipment for foreign fighting fronts and at home.

"About eight thousand board feet of lumber is needed for every man despatched to an offshore operation and another thousand board feet is needed each month to keep him there. This is a routine requirement and does not provide for special rehabilitation materials. More than 2,000 carloads of American lumber were required to replace bombed military installations in Naples harbor."

Inventories of lumber probably will be depleted at the end of the war and several months will be required to replace them.

During this interval the lumber industry will be able to supply about 50 million board feet per day. After a few months an additional 50 million feet per day should be available.

The lumber shortage is most acute in material of one and two inch thicknesses. Large production of certain sizes needed by the military services automatically results in the production of some sizes not needed by the Army and Navy. Timbers and heavy softwood dimenson lumber over three inches in thickness are now readily available for essential uses.

Wheat Prices

Winnipeg Grain Futures

Week of July 25, 1944

Crop year from Aug. 1, 1943 High	Low		High for week	Low for week	Close July 25
Oats*					
.51½	.51½	May	.51½	.51½	.51½
Barley*					
.64¾	.64¾	May	.64¾	.64¾	.64¾
Rye					
1.34¼	1.04⅝	July	1.10⅜	1.05⅜	1.06
1.30⅞	1.04¼	Oct.	1.10⅞	1.07⅝	1.06⅞
1.12	1.04	Dec.	1.10⅞	1.07½	1.06¾
1.13⅛	1.10	May	1.13¼	1.09⅞	1.09½

*At ceiling.

Cash Quotations

For Week July 25, 1944

	July 25, 1944 High	Low	Prev. Week High	Low
Oats*:				
2 C. W. ..	.51⅛	.51½	51½	.51½
3 C. W. ..	.51½	.51½	51½	.51⅛
Barley*:				
1 Feed ..	.64¾	.64¾	.64¾	.64¾
2 Feed ..	.64¾	.64¾	.64¾	.64¾
Rye:				
2 C. W. ..	1.10⅜	1.05⅜	1.12¾	1.08

*At ceiling prices.

TORONTO ELEVATORS
LIMITED
MASTER FEEDS
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OPERATING TERMINAL ELEVATORS - FORT WILLIAM - PORT ARTHUR - VANCOUVER
436 COUNTRY ELEVATORS THROUGHOUT THE WEST
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Our Service and Facilities Guarantee Satisfaction

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All Grades Feed Barley
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CANADA'S MOST COMPLETE GRAIN SERVICE
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Prairie Farmers Boost Wheat Acreage 37.8%

Provided conditions continue favorable, western Canadian farmers have a good chance of a 1944 wheat yield not far behind the best years of the past. In any event, they have a bit of leeway for any possible crop deterioration in these last few critical weeks in the fact that this year they have sown 37.8% more land to wheat than they did in 1943.

According to Dominion Bureau of Statistics figures, based on the annual June survey, in which final acreage figures for the principal grain crops are established, this year's wheat acreage for the three prairie provinces is 23,052,500, compared with 16,729,000 in 1943 and 20,653,000 in 1942, when propitious weather conditions gave prairie farmers the biggest crop in history.

The sizeable increase in wheat acreage was made at the expense of feed grain crops, flax seed and summer fallow. Flax seed, especially, experienced a tremendous drop, acreage for 1944 being more than cut in half in comparison with 1943. With flax a difficult crop to grow successfully, farmers are evidently taking advantage of better prices and brisker demand to get back into western Canada's orthodox crop—wheat.

Below are given acreages for the principal grain crops on the prairies, with comparative figures for 1943:

Province:	Year	Wheat	Oats	Barley	Flax
Manitoba	1944	2,505,800	1,615,000	2,123,000	167,000
	1943	1,640,000	1,631,500	2,341,000	284,000
Saskatchewan	1944	13,808,700	5,640,300	2,698,500	939,000
	1943	10,260,000	6,482,000	3,316,000	2,084,400
Alberta	1944	6,738,000	3,191,600	1,941,900	191,500
	1943	4,829,000	3,676,000	2,239,000	550,000
Prairies	1944	23,052,500	10,446,900	6,763,400	1,297,500
	1943	16,729,000	11,789,500	7,896,000	2,768,400

One notable increase in acreage was one of 132% in land devoted to sugar beet production. This is the figure for Canada as a whole, with the greatest increase reported in Ontario. Here sugar beet acreage went up from 9,300 acres in 1943 to 15,500 in 1944.

Acreage in Dominion increased from 52,500 in 1943 to 69,500 in 1944. Alberta sugar acreage remained at about the 29,000-acre level, Manitoba was down slightly at 14,000 acres, while Quebec, in a new venture, has sown 10,300 acres to sugar beets this year.

Aunor Output Holds Fairly Well, Half Year

Despite the labor shortage, Aunor Gold Mines has been able to hold production relatively well for the first six months of 1944.

Output for the first six months of the year $883,382 from 64,521 tons of ore milled, an average recovery of $13.69 a ton. This included $420,526 from 33,200 tons for the June quarter. Output in 1943 was $1,915,731 from 159,436 tons of ore milled.

Automobile and General Casualty Insurance
SERVICE SAVING SECURITY
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"THE SAFETY-MINDED COMPANY"

Marathon Paper Issues Approved

From Our Own Correspondent

MONTREAL. — Stockholders of Marathon Paper Mills Co., at a meeting in the United States, approved change in the name of the company to Marathon Corp., and authorized a new financing program providing for issuance of $10 millions principal amount of 15-year 3¾% debentures, to be placed privately, and $5 millions par value of 5% preferred stock, a registration statement for which was filed recently with the SEC.

Marathon Corp., which owns plants in Rothschild, Wausau, Menasha and Ashland, Wisconsin, and in Ironwood and Menominee, Mich., is now constructing in Ontario a high-grade bleached sulphate pulp mill, which will have a capacity of 250 tons daily.

Abitibi Power & Paper Company, Limited
TORONTO, ONT.
Owning directly or through subsidiary companies, mills at
Beaupre, Que. Iroquois Falls, Ont.
Pine Falls, Man. Smooth Rock Falls, Ont.
Sault Ste. Marie, Ont. Fort William, Ont.
Port Arthur, Ont.
Newsprint
Groundwood Pulp News Sulphite Pulp
High Grade Bleached Sulphite Pulp

Now ITS SHIPS FOR VICTORY !!
Outside our plant only the Federal authorities know the complete figures of our war effort. These figures tell a patriotic story and one of which any yard might well be proud.
Having built up a fine Navy of now formidable proportion, Canada can look with confidence to such qualified plants as Thompson Brothers Machinery Company in times of peace to help maintain this splendid National asset.
"A NAME TO RELY ON"
THOMPSON BROTHERS MACHINERY CO. LTD LIVERPOOL, N.S.
THOMPSON BROS. MACHINERY CO. LTD.
LIVERPOOL, NOVA SCOTIA

Are you hiding 'Subterfugitives'?

NOT DELIBERATELY OF COURSE — but "subterfugitives" may be hiding behind you.

A "subterfugitive" is an eligible man of military age who has not cleared his status with the armed forces.

Check your personnel today! Make sure of the standing of every employee in your organization.

The time has come when every able man is more valuable to Canada's army than to any industry. Our supreme effort is called for. Only fighting man-power can deal the knock-out blow.

Find out who should be wearing this badge GS

The CANADIAN ARMY
Needs men now for Overseas Service

1M-8

THE WEEK'S QUOTATIONS

Quotations here listed are the official stock exchange prices for listed stocks, including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

Montreal and Toronto
Week ending Monday close

Winnipeg and Vancouver
Week ending Saturday close

WEEK ENDING JULY 24

Range 1944 High	Low	Div. R'te $	July 22 Y'ld %		Sales	Last July 17	Week end. July 24 H	L	Cl'se
4	2¼	.	...	Abitibi	8928	3¼	3¾	3¼	3¼
42¾	27	.	...	Do. pref. 6%	9608	40	42½	38½	40
85	57	.	...	Do. pref. 7%	50	85	75	75	75
11½	5½	.	...	Acme Glove	150	8	8	8	8
13	8¼	.	...	Algoma Steel, c	135	12	12	11½	11½
99	88	8+2	10.2	Aluminium	300	95	94	92	93
101½	96½	5	4.9	Alum. of Can p	167	101	101½	101	101
28½	19	†.35	...	Fraser Cos.	1180	27½	27½	26	26
10	8¾	.80	8.4	Gatineau Pwr.	985	10	10	9	9
90	84	5	5.6	Do. pref.	85	88	88¾	88	88
95	90	5.50	6	Do. 5½% pref.	685	95	95	93	95
15½	11½	†.50	...	Gen. St. Wares	2105	15½	15¾	15	15
111½	108	7+.44	..	Do. pref.	165	111	111	111	111
96	84¾	2.50+2	4.5	Goodyear Tire	65	95	96	95	95
56½	52½	2.50	4.7	Do. pref.	20	54	54½	54	54
4	2½	.10	...	United Distill.	100	2½	3¼	3¼	3¼
38	32½	3	8	Unit. Fuel p A	310	37½	37½	37½	37½
6	5	.	...	Do. (B) pref.	20	5¾	6	5¾	6
5½	3¼	.10+.05	..	United Steel	475	4¾	4¾	4½	4¾
11	5	.	...	Viau Bisc.	10	11	10	10	10
99	78	5	5.2	Do. pref.	2	99	94	94	94
58¾	50	4	7	Wabasso Cot.	245	55	57	56½	56½
63	57½	4	7	Walker-Good.	1220	61½	62¾	61	61½

Range 1944 High	Low	Div. Rate $	July 22 Yield %	Company	Sales	Last July 17	Week Ending July 24 High	Low	Close
21.50	14.12	.80	4.1	Lake Shore	1,300	20.25	19.75	18.50	18.50
6.75	5.70	▾.17	....	Lamaque G.	1,354	6.35	6.50	6.30	6.50
.15	.06½	.....	....	Lapa Cad.	7,200	.09	.10	.09	.09½
.06½	.02½	.....	....	Lebel Oro.	13,000	.04	.04½	.03½	.04½
1.45	1.03	.08	5.7	Leitch Gold	17,400	1.35	1.40	1.33	1.35
1.35	.90	†.04	....	Little L.L.	3,500	1.22	1.22	1.15	1.18
4.50	3.40	.20	....	Macassa	4,005	4.30	4.40	4.20	4.20
2.74	2.10	†.05	....	MacLeod C.	22,700	2.41	2.60	2.35	2.60

Oil Stocks (cont'd)

High	Low	Div.	Yield	Company	Sales	Last	High	Low	Close
.05	.03½	.....	....	Oil Select	3,500	.03½	.03½	.03½	.03½
.70	.40	.....	....	Okalta	3,200	.50	.52	.48	.48
.04½	.02	.....	....	Pacalta	2,500	.03	.03	.03	.03
1.07	.68	.....	....	Pacific Oil	6,930	.75	.77	.74	.75
.56	.40	.....	....	Pac. Pete	5,782	.53	.52	.49	.52
.06½	.03	.....	....	Royal Can.	1,000	.03	.03½	.03½	.03½
22.00	19.00	1.00	5	Royalite	70	20.50	20.00	19.50	20.00
.05	.03	.....	....	South End	7,500	.03½	.03½	.03	.03
1.25	.90	.....	....	Texas Can.	600	1.25	1.26	1.25	1.25
.07	.04½	.....	....	United Oils	1,500	.05	.05	.04½	.05
.19	.08	.....	....	Vermilata	12,700	.08½	.08½	.08	.08

* Yield including bonus. † Paid in 1943. ▾ Paid or payable in 1944 to date.

Volume of Stock Sales

	Montreal	Toronto	Vancouver
	Total Volume		
July 25	51,400	438,000	......
July 24	42,900	522,000	......
July 22	.....	......	......
July 21	62,900	472,000	......
July 20	85,600	657,000	44,229
July 19	41,100	694,000	17,437

Oil Stocks

	Div.	Last sale	Bid	Ask
Madison	...	.02	..	..
Marvel	...	.02½	..	.02½
McLeod	...	.23	.20	.24
Mill City	...	.09	.09	.10½
Model	...	.19	.17	..
Petrol. Oil & Gas	†.02	.20	..	..
South West Pete.	...	.15	.16	.20
Spooner	...	.06	.08	.10
Sunset	▴.01	.07	.06	..
Trans. Alta.	...	.13	..	..
Vanalta	...	.06	.06	..
Vulcan	...	.20	.17	..

†Paid in 1943. ▴Paid or payable in 1944 to date.

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$11.62	$11.73	$12.55
Hogs	17.40	17.30	16.85
Copper, lb.	*.12	.12	.12
Sugar, raw, lb.	*.0374	.0374	.0374
Coffee, lb.	*.09⅜	.09⅜	.09⅜
Hides	*.15½	.15½	.15½
Weekly Indices			
U. S. Labor	103.9	103.9	102.9
Dow Jones (fut.)	96.53	96.51	85.22
Fishers	113.1	113.0	111.1
Monthly Indices			
Canada (D.B.S.):			
Retail (June)	119.0	119.2	118.5
W'sale (June)	102.1	101.8	94.4
U. S. (Mar.)	103.8	103.6	103.4
Gr. Brit. (Mar.)	164.9	164.6	162.2

Note—The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle — Steers, good, over 1,050 lb., top price, Toronto. Copper-electrolytic. New York. No. 7 coffee, Rio. Sugar—96 degrees centrifugal c/f New York.

* Ceiling prices fixed by the office of Price Administration.

Bond Redemptions

Bond Issues—	Rate	Year	Due	Price
York Knit	4%	1945	Aug. 1	101
Do.	4½%	1952	Aug. 1	102
Paton Mfg.	‡4½%	1956	Sept. 1	103
Dom. Tar & C.	3½%	1944	Aug. 1	101
Do.	4½%	1951	Aug. 1	102
Un. Amuse. A	†5%	1956	Aug. 1	103
Gt. Lakes Pwr.	▴5%	1957	Aug. 5	104
Simpson A.	3½%	1944	Aug. 15	101
Do.	4¼%	1951	Aug. 15	102
Candn. Oil	4%	1955	Aug. 15	101

‡$8.500. †44,300. ▴$50,000.

Municipal Bonds

July 25, 1944

	%	Due	Bid	Ask.	Yld. %
†Halifax	5	1961	118.00	121.00	3.36
Hamilton	5	1950	109.625	111.625	2.85
Montreal	5	1945	99.00	102.00	*
Ottawa	4½	1945	102.00	104.00	2.00
†Quebec	5	1959	118.00	121.00	3.22
Saint John	5	1950	106.25	109.25	3.50
†Toronto	4½	1955	124.50	127.50	1.65
†Vancouver	5	1970	120.00	123.00	3.61
Winnipeg	6	1950	112.625	115.625	3.12

†Payable Can. & N. Y. *Flat.

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)
July 25, 1944

Supplementary Stock Quotations

(Furnished by Plaxton, McDonnell & Co., Toronto)
July 25, 1944

Miscellaneous Stocks:	Bid	Asked
Acme Farmers pref.	104	..
Aikenhead Hardware	75	80
Allens Lond. Thea., pf.	46	..
Atlas Steels 7% 2nd pf.	108½	110½
Beach Fdry. pref.	62	..
Brantford Roofing c.	7	8¾
Brinton Peterboro Cpt.	55	..
Can. Co-op. Wool.	8	10
Can. Fairbanks, com.	22	..
Quebec Pulp & Pap. pf.	19	21
Ritchie Cut Stone pf.	1¾	3¾
E. L. Ruddy pref.	56	61
Sawyer Massey com.	85	1.25
St. John Dryd. 5½% pf.	..	99
Sincennes McN. com.	2	2¾
Strand Ham. Th., pref.	72	..
Do., com.	1½	2¾
Tor. Winter Club, pf.	2¾	3¾
United Farmers Co-op.	29	..
Waterloo Mfg.	3	3¾
Wentworth Radio, pf.	5	6
Do., new com.	85	1.25
Western Grain, com.	1.20	1.50
York Trading com.	4¾	6

Annual Meetings

1944	Company	Place
July 28	McDougall-Segur	Calgary
Sept. 20	Loblaw Groc.	Toronto

Corporation Bonds Cont'd

	Rate	Due	Bid	Ask.	Bid July 18
Mercury Mills	4	'59	99	101	98½
Mersey Paper	5	'57	99½	102½	99½
†Do.	6	'49	99½	102½	99½
▾M. & O. Paper	5	'60	112	114	112
Moirs Ltd.	6	'53	99½	102	99½
‡Mtrl. Drydocks	6	'48	97	100	97½
Montreal Apts.	4	'54	83	86	81½
N.S. Stl. Coal	3½	'63	91½	94½	91½
Price Bros.	5	'57	104½	106½	104½
•Prov. Paper	5½	'47	109½	111½	109½
Reliance Grain	4½	'52	101	103½	101
†Restigouche Co.	6	'46	105½	107½	105½
Rolland Paper	4½	'51	101½	104	101½
Ruddy, E. L.	6½	'48	100	103	100
Silv. Dairies	6	'66	100½	103	100½
Smith, Howard	4½	'51	102	104	102
Stand. Lime	6	'44	99½	101½	99½
Sterling Coal	6	'45	100	103	100
United Amuse.	5	'56	102	..	102
United Corp.	4	'58	98½	101	98½
•United Gas	5½	'48	107½	109½	107½
United Gr. Grs.	4½	'58	100½	103	100½
†Western Grain	5	'63	93	96	92

•Payable in Can. or U. S.
†Payable in Can., U. S. or U. K.
▾Payable in U. S.
♦Payable in Canada only.
‡Traded without accrued interest.
▴Payable in Can. or U. K.

Government Bonds

(Supplied by Investment Dealers' Assoc. of Canada)
July 25, 1944

%	Due	Bid	Ask.
2	Mar. 1945	100¼	101¼
2	Dec. 1946	100 3/5	101¼
4½	Feb. 1946	104½	105¼
2¼	Mar. 1948	101	101¾
1¾	May 1946	100¼	101
3½	June 1949	102¾	103¼
3½	Oct. 1949	100½	101½
1st Victory Loan:			
3	June 1951	103¾	104¾
3½	Nov. 1951	104½	104¾
4	Oct. 1952	106½	107
3½	Feb. 1952	104¾	105½
3	Oct. 1952	102¾	103½
2nd Victory Loan:			
3	Mar. 1954	102½	103¾
3	June 1955	101	101¾
3rd Victory Loan:			
3	Nov. 1956	101½	101½
4½	Nov. 1956	105½	106½
4½	Nov. 1957	107½	108½
4th Victory Loan:			
3	May 1954-57	100¼	100¾
3	June 1958	99¾	100¾
4½	Nov. 1958	108 4/5	109½
4½	Nov. 1959	109¾	110¾
5th Victory Loan:			
3	Jan. 1959	99¾	100½
6th Victory Loan:			
3	June 1960	99¾	100
3½	June 1966	102	103
3	Perpetual	96½	97½
Dom. Guarant'd Bonds			
Can. Natl. Railways:			
3	Dec. 1950	101 3/5	102½
3	Jan. 1959	99½	100½
4½	Sept. 1951	123½	...
4½	Feb. 1956	126½	...
4½	July 1957	127½	...
3	Feb. 1953	101¾	102¾
4¾	June 1955	128½	...
5	Feb. 1954	117	118½
5	Oct. 1969	128	...
5	Feb. 1970	128	...
Can. Nat. W. Ind. S.S.			
5	Mar. 1955	128¾	...
Grand Trunk Pacific Rly.:			
3	Jan. 1962	110	112

Provincial Govt. Bonds

%	Due	Bid	Ask.
New Brunswick:			
4	Nov. 1947	111	113
3	Oct. 1951	98½	100½
3½	Aug. 1949	99½	101½
3½	June 1956	100¾	102¾
4½	Apr. 1961	120	122
5	Jan. 1960	124	126
Nova Scotia:			
3	Jan. 1952	99½	101½
3½	June 1956	100¾	102¾
3½	Nov. 1950	103½	105½
4½	Sept. 1952	115½	117½
4½	Nov. 1960	124	126
5	Mar. 1960	130½	132½
Ontario:			
2½	May 1945	100½	101¾
3	Apr. 1948	101½	103
3	Nov. 1950	101½	103
3½	Nov. 1951	102¾	104½
3½	May 1955	102½	103¾
4	June 1962	122	124
4½	June 1950	109¾	111½
4½	Jan. 1962	128	131
5	Oct. 1948	110	111½
5	Dec. 1960	135	137
5½	July 1946	106	107½
Ont. Hydro Commission:			
3	Aug. 1948	101½	102¾
3½	Feb. 1953	101¾	103½
3½	Apr. 1947	103½	105
Prince Edward Island:			
4	Mar. 1954	101½	103½
Quebec:			
3	Nov. 1947	100½	101¾
3½	Mar. 1948	101	102½
3½	Mar. 1959	101½	103
4	Nov. 1952	103½	105
3¾	Feb. 1955	103½	104¾
4½	Aug. 1958	108¾	111½
4½	Jan. 1963	113¾	116½
Alberta:			
4½	Oct. 1956	91	93½
4	Dec. 1954	86½	89½
5	Oct. 1959	92	94½
5½	Apr. 1952	92½	95½
6	Mar. 1947	87½	90½
British Columbia:			
4	Dec. 1957	116½	118¾
4½	Jan. 1961	117¾	120¾
4½	Oct. 1953	119¾	122½
5	Apr. 1954	123½	125¾
5½	Feb. 1945	100½	102½
6	Feb. 1947	106½	108½
Manitoba:			
4	Dec. 1957	110¾	113½
4½	Dec. 1956	114	116½
5	Dec. 1959	121¾	124½
5½	Oct. 1955	114¾	118
6	Apr. 1947	105¾	108½
Saskatchewan:			
4	Sept. 1954	86	89
4	Nov. 1960	85½	88½
4½	Oct. 1951	100	103
4½	Mar. 1960	94	97
5	Aug. 1958	92	95
5½	Oct. 1952	94	97
6	Mar. 1952	94	97

*Payable N.Y.

Unlisted Stocks

(Furnished by A. J. Pattison Jr. & Co., Toronto)
July 25, 1944

	Bid	Ask.
Anglo-C. Tel., A	8¾	9½
Do., 5½% pf.	49½	..
Atlas Steels, c.	30	33
Do., pref.	108	111
B. C. Sugar	80	..
B. C. Tel., p.	112	..
Burns & Co., A	14	15
Do., B.	9	10
Can. Indust., A.	153	..
Can. Mach.	7½	8½
Can. Mot. L.A.B.	8	9½
Cap. W. Cloth, p.	18	21½
Chase, A. W., p.	20	..
Col. Realty	3¾	..
Colonial Steam.	70	75
Detroit Int. Br.	10½	..
Dover Indust.	8½	9½
Dunlop T., p. $25	25½	27
Edm. Stk. Yards	50	..
Galt Brass, c.	15	..
Goderich Elev.	12	14½
Guard. Realty p.	20	23
Gurney Fdy., p.	2½	2¾
Hart. Battery	6½	..
High. Dairy, pf.	56	..
Ingram & Bell, p.	94	..
Loblaw Inc., c.	11½	12¾
M'row Screw, p.	100	..
Do., com.	15	..
Moirs, pfd.	78½	..
Morrison Br., un.	11½	13
Neilson, Wm., c.	13½	..
Do., p.	100	..
N. Meth. Ldy, un.	84	..
Quinte Milk	4	..
Prov. Paper, p.	103	106
Rosedale Golf	100	..
Stand Fuel, pfd.	84	..
Do., com.	1½	..
Seiberling R., c.	3¾	..
Stedman, pf. $50	58	..
Sutton H.	¾	1½
Tor. Carpet, p.	70	..
Un. Hotels, rts.	3½	5½
U. Stk. Y. Sask. p	90	..
Un. Steel, A, pf.	25	26
Viceroy Mfg., pf.	20	..
West. Grain, pfd.	34	37½
Trust & Loan Stocks:		
British Mtge.	130	..
Brockville Tr.	48	..
Capital Trust	35	..
Comm. Fin., c.	7½	8½
Crown Trust	60	..
Eastern Trust	150	..
Guelph & O. $50	50½	..
Indust. Mtge.	27½	..
Lambton Loan	42	46½
Lond. & W. Trust	44½	..
Midland Loan	14	17
Montreal Tr.	68	..
N. S. Trust	145	..
Premier Trust	40	..
Prudential Tr.	3	5
Royal Trust	70	..
Sherbrooke Tr.	124	..
Sterling Trust	58	..
Trusts & Guar.	44	48½
Victoria Trust	80	..
Waterloo Trust	100	105
Insurance Stocks:		
Brit. Amer.	52	..
Canadian Fire	78½	85
Canada Life	395	420
Confed. 30% pd.	131½	138
Continental L.	30	33
Crown Life	265	..
D. of C. Gen.	135	..
Dom. Life	170	..
Empire, 25% pd.	13½	..
Excelsior 40% pd.	80	..
Great-West Life	250	265
Guar. N. Amer.	200	..
Halifax Fire	15	17½
Imperial Life	265	..
Manufac. Life	250	258
Monarch 20% pd.	38	..
Maritime Life	23¾	..
National Life	17	..
Sov. L. 25% pd.	25	32
Sun Life	305	325
Tor. General	5	6
Weston Assce.	49	54½
Do., pref.	42	45
Investment Trust Shares:		
Deb. & Sec., pf.	90	..
Tr. Can. Inv. Tr.	2½	..
Theatre Stocks:		
Allen's St. Cath. units	55	..
Do., Kingston	64	68
Do., Toronto, p.	38½	..
Para. Oshawa, p.	82	..
Power Issues:		
Can. W. Nat. Gas	32	..
Do., pfd.	104	..
Gt. Lakes Pr., p.	115	..
Mtl. Is. Pwr., p.	44	..
N. B. Telephone	12½	14½
Nor. Ont. Pwr., p.	77½	82

Unlisted Mines

Toronto. July 25, 1944

Approximate quotations 4 p.m., July 25, 1944, subject to confirmation:

	Bid	Ask
Albany n	.17	.19
Aljo	.06	.07
Am Kirk	.38	.41
Am Lard	1.10	1.15
Amicmica	.10	.12
An Rouyn	.54	.56
Annamque	.14	.16
Anoki	.14	.16
Apex Oil	.11	.18
Arntfield	.06½	.07½
Do., new	.27	.29
Aurora Y	.36	.39
B Lardr n	.04	.06
Brae Brst	.03½	.04½
Bright RL	.10	.12
Blondor	.37	.39
Brock	.14	.16
Burley P	.06	.07
Calder B	.06	.07
Camlaren	.20	.22
Carricona	.13½	.15
C Manitob	.06	.07
Classic S	.15	.18
Clifton	.03½	.04
Cock RL	.03½	.04
Columb're	.22	.25
C Chiboug	.14	.16
Dack Crk	.07	.09
Derlak RL	.06	.08
DeSant n	.17	.19
D Malartic	.08	.09
Dona Pat	.05	.07
Donalda	1.20	1.25
Eastward	.22	.25
Elder M	.16	.20
Eldona	.16	.19
Electra	.06	.08
Geraldton	.05½	.06
G Manitou	.60	.65
Goldora	.27	.29
Goodrock	.12	.14
G L Iron	.04	.06
Harpers M	.08	.10
Hyes Cad	.03½	.04½
Heva Cad	.07	.09
Highridge	.06	.07
Hosco	.20	.23
Hoyle new	.18	.20
Hugh Mal	.09	.11
Hugh Pm	.16	.18
Kamlac	1.00	1.05
Kayrand	.41	.44
Laguerre	.18	.20
Lar Add	.06	.08
Largold	.05	.07
Larder U	.08	.10
Lavlie	.22	.25
Legardo	.05	.07
Magnet C	.29	.31
Major Oil	.39	.41
Marbenor	.22	.25
Marquette	.07½	.08
Martin B	.06	.07
Martin-Mc	.06	.08
Mary Ann	.18	.21
Marlon R	.21	.23
Mata Con	.24	.27
Metalore	.05	.06
Mof Hall n	.03½	.04½
Mohawk	.10	.11
Mosher	.14	.16
Moosew'd	.05	.06
Mylam n	.32	.35
McCuaig	.15	.17
McManus	.06	.07½
Nat Mal	.35½	.38
Naybob	.03½	.04½
N Augar	.19	.21
Nicholson	.17½	.19
Nickel Of	1.00	1.25
N Malar	.30	.32
N Ranch	.04	.05
Norbeau	.78	.83
Norbenite	.16	.18
Norseman	.14	.16
Northl '40	.10	.12
Novell P	.07	.09
Obalski	.10	.12
Obaska	.70	.80
Oklend	.07½	.09
Olivet	.19	.21
O'Leary	.26	.28
Opemiska	.09	.11
Orpit	.16½	.18
Pascalis	.43	.46
Paulore	.02½	.03
Pelangio	.06	.07
P Rouyn o	.17	.20
Poona	.14	.15
Porc Reef	.21	.23
Presdor	.03½	.04½
Privateer	.35	.38
Que Mani	.28	.31
Rajah	.05	.07
Rand Mal	.38	.39
Raylartic	.05	.06
Raymond	.41	.43
Rebair	.42	.45
Redwood	.08	.10
Ritoria	.13	.15
Ritz Lard	.07½	.09
S.A.G.A.	1.55	1.65
Sheldon	.24	.26
Skynner L	.04½	.05½
Stadcona	.38	.42
Tiffany	.42	.45
Tobico	.03	.04
Tombill	.16	.20
Tovarich	.05	.07
Union Min	.17	.19
Univ Pete	.17	.19
Wesley	.03½	.04
W Red L	.05	.06
W Shore	.10	.11
Winchestr	.29	.31
Wingait	.22	.25
Yellowrex	.97	1.03
Y Davidn	.32	.34

Oil Royalties

Producing Wells — Prices and Payments

	Apr. daily quota bbls.§	May daily quota bbls.§	Feb. pay. 1% $	Mar. pay. 1% $	Apr. pay. 1% $	Total to Apr. 30 1% $	Offering price‡ per 1% $
Ace No. 1 gross	300	300	143.09	145.63	134.27	559.29	....
Alta. Oil Inc. No. 1, gr.	50	50	22.40	....	22.00	67.20	1,000
Do., No. 1 net	50	50	16.80	....	....	*32.00	....
Do., No. 2 gr.	260	260	110.40	120.40	124.40	472.80	4,500
Do., No. 2 net	260	260	74.40	80.40	84.40	321.20	2,800
Allied No. 1 pfd.	70	70	53.99	42.97	39.59	175.04	1,200
Arrow No. 1 net	80	80	35.00	33.00	32.00	126.00	1,200
Arrow No. 2 net	...	140	....	....	50.00	....	1,500
Atlas No. 1 net pfd.	60	60	21.60	22.40	24.80	105.20	900
Atlas-Br. D. No. 2 net	350	350	112.80	99.60	95.60	435.20	....
Atlas-Br. D. No. 3 pfd.	220	220	125.20	....	....	*250.40	4,000
East Crest No. 5	100	100	48.40	48.80	39.20	183.60	1,500
Empire pfd.	...	...	....	....	....	....	1,100
Independent No. 1 pfd.	180	180	67.48	62.08	72.36	296.46	2,300
Do., No. 1 gr.	180	180	70.91	71.15	81.22	313.51	2,900
Major Oil No. 1 pfd.	50	50	....	20.00	....	....	1,000
Do., No. 1 gr.	50	50	26.40	13.60	28.00	68.00	....
Do., No. 2 net	210	210	59.20	68.40	66.00	262.00	2,300
Do., No. 2 gr.	210	210	83.60	95.60	90.40	371.40	....
Do., No. 3 net	340	340	98.00	108.40	98.00	425.20	3,300
Do., No. 3 gr.	340	340	132.80	145.20	130.80	567.60	5,000
Do., No. 4 pfd.	45	45	....	44.40	....	....	1,200
Do., No. 4 gr.	45	45	20.00	22.40	....	†61.60	1,500
Do., No. 6 pfd.	300	300	....	....	....	....	800
Do., No. 6 gr.	300	300	110.40	116.40	104.80	491.60	3,800
Do., No. 7 pfd.	300	300	162.80	156.40	158.80	654.00	3,700
Do., No. 7 gr.	300	300	138.40	136.00	136.00	561.60	5,000
Do., No. 7 dfd.	300	300	....	....	....	....	3,700
Do., No. 8 pfd.	165	165	66.80	72.80	73.60	303.20	2,400
Do., No. 8 gr.	165	165	58.40	61.20	60.40	257.20	....
Do., No. 8 dfd.	165	165	....	....	....	....	1,300
Do., No. 9 gr.	230	230	98.00	91.38	95.60	396.98	....
Do., No. 9 pfd.	230	230	80.80	115.60	118.80	436.40	3,600
Do., No. 9 dfd.	230	230	....	...	....	....	1,300
Maryland, pfd.	100	100	....	...	....	....	800
Miracle No. 1 net	270	270	94.19	111.87	88.19	388.68	3,100
Do., No. 1 gr.	270	270	105.84	132.40	108.00	477.81	....
Do., No. 2 pfd.	100	100	38.55	95.13	34.71	221.78	1,500
Do., No. 2 gr.	100	100	33.51	56.40	35.60	172.66	....
Miracle No. 3 pfd.	200	200	....	....	....	....	2,800
Do., No. 3 gr.	200	200	133.64	114.71	69.34	424.33	....
National Vulcan	50	50	....	....	...	....	2,300
Northend Pete No. 1 pfd.	...	250	....	....	....	....	1,300
Do., No. 1 gr.	...	250	....	130.80	87.60	....	....
Twin City No. 2 gr.	150	150	72.96	172.66	70.73	389.60	....

‡Approximately 25% over dealers' bid price. §Approximate. *To Feb. 29.

Significant Investors' Index Numbers

	Mach. and equip.	Pulp and paper	Milling	Oils	Textiles and clothing	Food and allied prod.	Beverages	Bldg. mater.	Power and traction	Banks	Total utilities	Total co's.
No. of Securities	8	7	4	4	10	12	7	15	14	8	18	95
(Base 1935-39=100)												
***1935 to date:**												
High	134.5	234.4	149.7	123.7	135.7	118.3	150.0	153.4	146.8	118.2	145.0	134.1
Low	69.7	51.6	61.2	41.2	78.4	73.5	79.3	68.7	60.2	69.0	65.2	61.1
1944: Monthly Figures:												
Jan.	108.7	111.2	94.6	75.0	119.7	89.8	142.3	86.1	94.8	78.7	99.4	81.8
Feb.	108.7	114.8	96.1	74.0	122.4	93.1	141.4	86.5	97.3	79.1	102.7	82.0
Mar.	108.9	116.9	97.6	72.2	121.5	93.8	152.8	88.4	95.1	79.3	100.4	81.5
Apr.	106.6	109.0	96.5	70.0	118.3	93.0	149.2	87.3	92.0	78.4	97.0	79.3
May	107.0	112.3	96.4	70.4	118.8	92.8	152.1	86.6	91.2	78.0	97.5	79.8
1944: Weekly Figures:												
June 1	108.9	117.4	96.0	70.7	120.4	93.0	154.4	88.2	93.5	78.1	100.1	81.1
June 8	108.9	115.9	95.9	70.6	120.8	93.0	149.9	88.4	94.1	78.2	98.6	80.5
June 15	111.2	116.4	97.5	71.1	121.5	92.9	149.4	91.5	95.3	78.3	100.9	81.7
June 22	115.6	119.8	98.6	76.0	122.3	94.4	152.6	96.0	97.0	77.8	104.9	86.2
June 29	116.2	122.0	97.2	75.8	125.4	98.2	151.5	97.3	95.9	78.0	103.6	86.5
July 6	116.6	133.3	100.4	77.3	126.0	98.0	153.7	99.0	95.7	78.5	104.5	87.8
July 13	116.7	136.0	100.3	77.8	125.9	103.2	153.1	100.5	94.1	77.8	105.5	88.7
July 20	116.9	133.1	101.0	76.8	125.8	104.7	155.1	99.4	94.2	77.7	105.2	87.9

*High and low for years from 1935 to date inclusive are based on weekly figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index	20 Indust.	20 Golds	10 B.M.	15 W.O.
July 25	126.10	111.61	74.73	28.77
July 24	126.58	111.06	74.54	28.58
July 22	.....	.....	....	....
July 21	126.88	111.50	75.34	28.64
July 20	127.57	112.63	75.76	28.75
July 19	127.40	112.69	75.93	28.86
Month ago	125.43	106.79	72.91	28.44
Year ago	124.54	89.82	75.30	26.53
High 1944	128.34	114.27	77.15	29.61
Low 1944	116.63	99.54	67.37	26.39

Montreal Stock Exchange Average	10 Util.	20 Ind.	30 Chd.	10 Pprs.	15 Golds
July 25	54.5	86.0	75.5	163.82	83.94
July 24	54.7	86.0	75.5	160.78	84.24
July 22	...	...	...	.....	....
July 21	55.0	86.5	76.0	161.16	84.28
July 20	55.1	87.6	76.8	165.08	85.21
July 19	54.5	87.9	76.8	162.72	85.62
Month ago	54.5	85.3	75.0	151.45	85.38
Year ago	62.6	80.5	74.5	117.03	70.33
High 1944	55.9	89.0	77.7	169.89	88.35
Low 1944	51.9	73.8	67.5	116.68	72.95

Merck's Penicillin Plant in Production

Into production at Montreal this month went Canada's third plant to manufacture the "miracle drug" penicillin. The factory, owned and financed by Merck & Co., is unique in this country in its use of submerged fermentation—the so-called vat method of growing the drug-yielding mold—instead of the flask method employed in the plants of Ayerst, McKenna & Harrison Ltd., at Montreal, and the Connaught Laboratories' Toronto penicillin plant.

Merck expects to achieve at once a scale of production that will allow of a substantial contribution to newly promised penicillin supplies for civilian treatment; half way through the building process Merck revised plans to double its equipment installation and now is considering even further expansion.

STOCKS NOT TRADED THIS WEEK

Mining Stocks

Week Ending July 24

Dividends Declared

	This payment $	Date payable	Date of record
Agnew Surpass	.50	Sept. 1	July 31
Do., pref.	1¾%	Oct. 2	Aug. 31
Assoc. Brew., c.	.25	Sept. 30	Aug. 31
Aluminum of C., p.	1.25	Aug. 1	July 5
Aluminium	2	Aug. 11	Sept. 5
Do., pref.	†1.50	Sept. 1	Aug. 4
Ault & Wiborg, p.	1.37½	Aug. 1	July 3
Atlas Steels	.15	Aug. 1	July 16
Anglo-Candn. Tel. A	.15	Sept. 1	Aug. 10
Do., pref.	.68¾	Aug. 1	July 10
Aunor Gold	.05	Sept. 1	Aug. 4
Bank of Montreal	1.50	Sept. 1	July 31
Barber-Ellis Can., p	1.75	July 15	June 30
Bertram, John	.20	Aug. 15	July 31
Bank of Toronto	2½%	Sept. 1	Aug. 15
Bathurst Power	.25	Sept. 1	July 28
Belding-Corticelli c.	...	Oct. 22	Aug. 31
Do., 7%	1.75	Oct. 2	Aug. 31
B. C. Tele., 2nd pf.	1.50	Aug. 1	July 17
Blue Ribbon, pf.	.62½	Aug. 1	July 17
Bruck S. Mills, c.	.10	Sept. 15	Aug. 15
Caldwell Linen	.25	Aug. 1	July 10
Do., 1st prf.	.38	Aug. 1	July 10
Do., 2nd prf.	.20	Aug. 1	July 10
Can. Iron, pref.	.30	Aug. 1	July 15
Can. N. Power	.15	Oct. 25	Sept. 20
Do., pref.	1¾%	Oct. 16	Sept. 20
Confederation Life	1.50	Sept. 30	Sept. 25
Do.	1.50	Dec. 30	Dec. 25
Can. Converters	.75	July 31	June 20
Can. Bk. C'merce	1.50	Aug. 1	June 30
Can. Pac. Rly., pref.	2%	Aug. 1	June 30
Can. Industries A. B	1.25	July 31	June 30
Calgary Power	1.50	Aug. 1	July 10
Canada Starch, pf.	3½%	Aug. 15	Aug. 8
Canada Malting	.50	Sept. 15	Aug. 15
Candn. Bakeries, pf.	1.25	Sept. 1	July 31
Cockshutt Plow	.25	Dec. 1	Nov. 2
Can. Pac. Rly. pfd.	2	Aug. 1	June 30
Candn. Brew.	.85	Oct. 2	Aug. 15
Candn. Bronze	.37½	Aug. 1	July 10
Do., pref.	1.25	Aug. 1	July 10
Candn. Food	.62½	Oct. 2	Aug. 31
Candn. Int. Inv. Tr.	▲.75	Sept. 1	Aug. 1
Candn. Inv. Corp.	.05	Aug. 1	July 15
Candn. Oil	.25	Aug. 15	Aug. 1
Do., pref.	2	Oct. 2	Sept. 20
Chart. Tr. & Ex., c.	1.50	Oct. 1	Sept. 15
Crown Cork	.50	Aug. 15	July 17
Commoil	.00½	Aug. 25	Aug. 4
Conduits National	.15	Aug. 8	July 25
Consumers Glass	.50	Aug. 31	July 28
Corr. Paper Box, pf.	1.75	Sept. 1	Aug. 1
Cosmos Imperial	.30	Aug. 15	July 31
Dom. Anglo. Inv.	1.25	Sept. 1	Aug. 15
Dominion Bank	2	Aug. 1	July 15
Dominion Bridge	.30	Aug. 25	July 31
Dom. Fabrics	.20	Aug. 1	July 15
Do., 1st pref.	.75	Aug. 1	July 15
Do., 2nd pref.	.37½	Aug. 1	July 15
Distillers-Seag., pf.	†1.25	Aug. 1	July 15
Dom. Oilcloth	.30+.10	July 28	June 28
Dom.-Scottish Inv.	.50	Sept. 1	Aug. 1
Dom. Tar. pfd.	1.37½	Aug. 1	July 4
Dome Mines	■.40	July 29	June 30
Dom. Envelope, c.	.10	Dec. 1	Nov. 30
Donnacona, c.	.25	Sept. 1	July 15
Fed. Petrol., c.	.02	July 31	July 15
Federal Fire	1.50	Aug. 15	Aug. 11
Federal Grain, pf.	▲2.00	July 31	July 15
Ford Motor	.25	Sept. 16	Aug. 26
General Steel, c.	.25	Sept. 16	Aug. 26
Gordon & Belyea A	2.00	Aug. 1	July 24
Do., B.	.40	Aug. 1	July 24
Hallnor Mines	.05	Sept. 1	Aug. 4
Hudson's Bay	5%+5%	Aug. 16	July 25
Hamilton Cot.	.22½	Sept. 1	Aug. 10
Hydro-Elect. Sec.	.25	Aug. 1	June 30
Hiram Walker	1.00	Sept. 15	Aug. 11
Do., pref.	.25	Sept. 15	Aug. 11
Imp. Varnish	.12½	Sept. 1	Aug. 21
Do., pf.	.37½	Sept. 1	Aug. 21
Imperial Bank	2	Aug. 1	June 30
Inter. Metal pfd. A. pfd.	1.50	Aug. 1	July 10
Inter. Nickel, pfd.	†1.75	Aug. 1	July 3
Invest. Found., pfd.	.75	Oct. 15	Sept. 15
Internl. Holdings	.50	Aug. 16	July 14
Intnl. Coal & Coke	.01½	Aug. 1	July 22
Inter. Util.	†.87½	Aug. 1	July 21
Kerr-Addison	.05	Aug. 29	Aug. 1
Laura Secord	.20	Sept. 1	Aug. 1
Leitch Gold	.02	Aug. 15	July 31
Loblaw Groc.	.25	Sept. 1	Aug. 1
Mortgage Corp., c.	1.25	Aug. 1	July 24
Mont. Cottons	1	Sept. 15	Aug. 15
Do., pref.	1.75	Sept. 15	Aug. 15
McIntyre Porc.	.55½	Sept. 1	Aug. 1
Neon Prod.	.25	Aug. 17	Aug. 3
Noranda	1	Sept. 15	Aug. 15
Ogilvie Flour	.25	Oct. 2	Aug. 25
Do., pref.	1.75	Sept. 1	July 26
Ont. Silknit, pf.	1	Aug. 15	Aug. 1
Ont. Steel Prod.	.25	Aug. 15	July 15
Do., pref.	1.75	Aug. 15	July 15
Ottawa Car	.20	Oct. 15	Sept. 15
Ottawa L. H. & P.	.15	Oct. 2	Aug. 4
Do., pref.	1.25	Oct. 2	Aug. 4
Perron Gold	.02	Sept. 30	Aug. 31
Penmans	.75	Aug. 15	July 14
Do., pref.	1.50	Aug. 1	June 30
Photo Eng.	.50	Sept. 1	Aug. 15
Power Corp., c.	■.20	July 31	June 30
Prov. Trans., c.	.20	Aug. 15	Aug. 4
Pend. Oreille	†.06	July 28	June 30
Quebec Power	.25	Aug. 25	July 21
Robin Jones & Whit.	3	Apr. 15	Mar. 31
Saguenay Power	1.37½	Aug. 1	July 17
Regent Knit pf.	.40	Sept. 1	Aug. 1
Do., pref.	.40	Dec. 1	Nov. 2
Rem. Rand, c.	†.30	Oct. 1	Sept. 12
Do., pf.	†1.12½	Oct. 1	Sept. 12
Rolland Paper	.15	Aug. 15	Aug. 5
Do., pref.	1.50	Sept. 1	Aug. 15
Royal Bank	1.50	Sept. 1	July 31
N. Slater, c.	.50	Aug. 31	July 31
Standard Chem.	.50	Aug. 31	July 31
St. Law. Flour	.35	Aug. 1	June 30
Do., pref.	1.75	Aug. 1	June 30
Steel Co.	.75	Aug. 1	July 7
Do., pref.	.75	Aug. 1	July 7
Shawinigan W.	.23	Aug. 25	July 21
Simpsons, pref.	1.62½	Aug. 1	June 30
Do., arrears	2	Aug. 1	June 30
D. A. Stuart Oil	.45	Sept. 1	Aug. 15
Sherwin-Wms., c.	.15	Aug. 1	July 10
Sigma Mines	■.30	July 28	June 28
South. Can. Pwr.	.20	Aug. 15	July 20
Toburn Gold	.01	Aug. 22	July 21
United Grain, A.	1	Sept. 1	July 31
United Corp. A.	.38	Aug. 15	July 15
Do., B	.22	July 31	July 6
United Grain, B	.25	Sept. 1	July 31
Waite Amulet	.20	Sept. 1	Aug. 10
Wood, A & J	▲1.75	Aug. 1	July 15
Wood Mfg.	.50	Sept. 30	Aug. 31
Do., pref.	.37½	Aug. 1	July 15
Wellington Fire	1.75	Aug. 15	Aug. 11
West. Can. Fl., pfd.	2▲	July 31	July 12
Winnipeg Elect., p.	■2.50	Dec. 30	Nov. 15
York Knit.	.20	Aug. 15	July 31
Do., 1st pf.	3.50	Aug. 15	July 31
Do., 2nd pf.	3.50	Aug. 15	July 31
Zellers'	.20	Aug. 1	July 15

■Subject to approval of Foreign Exchange Control Board.
†N. Y. funds. ▲Arrears.
*Net after corporate income tax.

Supplementary Bond Quotations

Month-end close and changes from Previous Month-end

July 25, 1944

Miscel. Corp.:	Bid	Ask.	Chge.
Adel. Sheppard 7/40	38	..	+1½
Albert-Bay 5%/50	64	66½	+1
Alexandra Apts. 3%/55	63	..	..
Ancroft Place, 4%/56	51	55	..
*Balfour Bldg. 3%/43	55	58	+1½
*Bay-Adelaide 6½%/47	24	28	..
*Bay-Cumberl'd. 6½%/44	41	..	+1
‡Bloor St. G. Rlty. 7%/46	56½	59½	..
Brandram-Hen. 6%/56	94	..	+2
Brantford Roof., 5%/59	98½	100	..
Can. Machinery, 6%/55	94	97	..
Can Theatres, 5%/61	85	..	+1
‡Clarendon Apts., 7%/46	35	38	..
‡Clarendon Props. 7%/47	35	38	..
Connaught Hotel, 4%/52	76	..	..
Do., B inc. debs.	36	..	..
Con. Oka Sand, 3%/58	32	36½	+2½
‡Deer Park Manor 7%/40	46	51	..
Dom. Dairies 6%/57	101	..	+1½
Do., 6%/57 gen. mtge.	95	98½	+2
Dom. Square, 4%/59	85	88	+1½
Ellis Park, 4½%/45	70	73	..
Fed. Foundries, 5½%/50	75	..	+1
Gen. Brock Hotel 3%/54	56½	59	+2
Gleneagles Inv., 5%/44	67	..	+1
Godfrey Realty, 4%/52	71	74	+1
Gotfredson Corp., 6½%	2½	6	..
Keefer Rlty., 5%/55	45	..	+3½
Lombard Rlty., 2½%/51	25	29	..
Loew's Montreal, 4%/58	98½	..	..
Lord Nelson Htl., 4%/47	66	69½	+2
Mayor Bldg., 3%/42	65½	..	+1
Metropol Bldg., 4½%/52	57	..	..
Munic. Bankers (1931)	17	..	..
Nat. Utilities, 6%/48	78	..	..
Ogilvy Rlty., 5½%/51	74	..	+1
Ont. Building, 3%/43	46½	49	+1½
Oshawa Bldg., 3-4%/53	70	73	..
Prince Ed. Hotel, 4%/47	38	..	..
Richmond-Bay 6½%/47	102	104	..
*Richmond Bldg. 7%/47	17	21	..
*Roy. Windsor Apt. 6½%	24½	..	..
*St. Cath. Stan., 5%/57	75½	78	+3½
‡Trinity Bldg., 4%/52	12½	..	..
200 St. Clair W. 4½%/58	68	71	..
‡W'lington Bldg. 6½% ser	72	..	..
Wind. Court Apt. 3%/56	66	..	..
York St. Bldgs., 6%/43	91	95	..

*Issue carries arrears of interest.
‡Currently paying on interest arrears.

Bond Tenders

12 noon, July 27, Canada Treasury Bills—65,000,000 dated July 28, 1944, payable Oct. 27, 1944.

Investment Trusts

	Bid	Asked
Affiliated Funds	3.87	4.24
Can. Int. Trust	4.50	5.25
Can. Invest. Fund	3.90	4.25
Can. Investors	5.50	6.25
Corporate Inv.	6.80	7.30
Trans-Canada	11.30	12.30

Orders executed on all Exchanges

A. J. Pattison, Jr. & Co.
Royal Bank Bldg., Toronto
EL. 5101

DIVIDEND NOTICES

BANK OF MONTREAL

Established 1817

DIVIDEND NO. 325

NOTICE is hereby given that a DIVIDEND of ONE DOLLAR AND FIFTY CENTS per share upon the paid up Capital Stock of this Institution has been declared for the current quarter, payable on and after FRIDAY, the FIRST day of SEPTEMBER next, to Shareholders of record at close of business on 31st July, 1944.

By Order of the Board.
B. C. GARDNER,
General Manager.

Montreal, 18th July, 1944.

The Dominion Bank

DIVIDEND NO. 247

Notice is hereby given that a dividend of two per cent upon the paid-up capital stock of this Institution has been declared for the quarter ending 31st July, 1944. The dividend will be payable at the Head Office of the Bank and its Branches on and after Tuesday, the first day of August, 1944, to shareholders of record of the 15th July, 1944.

By Order of the Board.
ROBERT RAE,
General Manager.

Toronto, 8th June, 1944.

The Royal Bank of Canada

DIVIDEND No. 228

NOTICE is hereby given that a dividend of one and one-half per cent (being at the rate of six per cent per annum) upon the paid-up capital stock of this bank has been declared for the current quarter and will be payable at the bank and its branches on and after Friday, the first day of September next, to shareholders of record at the close of business on the 31st day of July, 1944.

By order of the Board.
S. G. DOBSON,
General Manager.

Montreal, Que., July 12, 1944.

The Bank of Toronto

Dividend No. 252

Notice is hereby given that a **Dividend of Two and One-half** per cent upon the Paid-up Capital Stock of this bank has been declared for the current quarter, and the same will be payable at the bank and its branches on and after the first day of September next, to shareholders of record on August 15th, 1944.

By Order of the Board.
B. S. VANSTONE,
General Manager.

NORANDA MINES LIMITED

DIVIDEND NOTICE

Notice is hereby given that an interim dividend of One Dollar ($1.00) per share, payable in Canadian funds, has been declared by the Directors of Noranda Mines Limited, payable September 15th, 1944, to shareholders of record at the close of business August 15th, 1944.

By order of the Board.
J. R. BRADFIELD,
Secretary.

Toronto, July 20th, 1944.

Hallnor Mines Limited

(No Personal Liability)

DIVIDEND NOTICE

Notice is hereby given that an interim dividend of Five Cents (5c) per share, payable in Canadian funds, has been declared by the Directors of HALLNOR MINES LIMITED (No Personal Liability), payable September 1, 1944, to shareholders of record at the close of business August 4, 1944.

By Order of the Board.
J. R. BRADFIELD,
Secretary.

Toronto, Ont., July 20, 1944.

The Montreal Cottons Limited

NOTICE IS HEREBY GIVEN THAT A DIVIDEND OF ONE PER CENT (1%) has been declared upon the Common Stock of the Company, and cheques will be mailed on the fifteenth day of September next, to shareholders of record at the close of business on the 15th day of August, 1944.

By Order of the Board,
CHAS. GURNHAM,
Secretary-Treasurer.

Valleyfield, July 19th, 1944.

The Montreal Cottons Limited

NOTICE IS HEREBY GIVEN THAT A QUARTERLY DIVIDEND OF ONE AND THREE QUARTERS PER CENT (1¾%), being at the rate of seven per cent (7%), per annum, has been declared upon the preferred stock of the Company, and cheques will be mailed on the fifteenth day of September next, to shareholders of record at the close of business on the 15th day of August, 1944.

By Order of the Board,
CHAS. GURNHAM,
Secretary-Treasurer.

Valleyfield, July 19th, 1944.

York Knitting Mills, Limited

DIVIDEND NOTICES

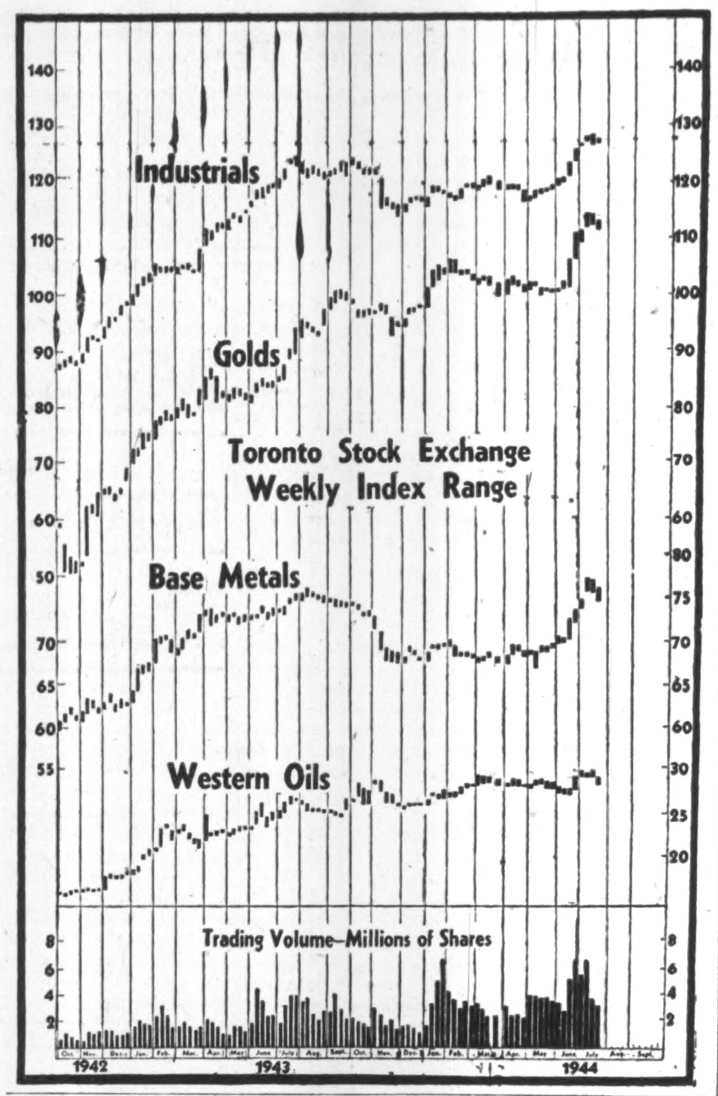
Notice is hereby given that a dividend of 3½% has been declared on the First Preference Stock of the Company for the six months ended June 30th, 1944, payable August 15th, to shareholders of record at the close of business on July 31st, 1944.

Notice is hereby given that a dividend of 3½% has been declared on the Second Preference Stock of the Company for the six months ended June 30th, 1944, payable August 15th, to shareholders of record at the close of business on July 31st, 1944.

Notice is hereby given that a dividend of 20c per share has been declared on the Common Stock of the Company for the six months ended June 30th, 1944, payable August 15th, to shareholders of record at the close of business on July 31st, 1944.

By Order of the Board,
WM. A. CLARKE,
Secretary.

Toronto, July 19, 1944.



Lynn MacLeod Has New Plant

The plant of Lynn MacLeod Metallurgy Ltd., Thetford Mines, Que., which was destroyed by fire in Jan., 1942, has been completely replaced with a new and more efficient structure, The Financial Post is informed. Production in the new unit has reached 450% of the best month's record in the old plant.

Production of Lynn MacLeod is currently devoted 98.8% to turning out castings for the war effort. Castings are provided for army trailers, 5.5 gun mounts, 25 pounder gun trailers, 3.7 A.A. gun mounts, Ram and Valentine tanks, tank landing ships and other naval craft, snowmobiles and power shovels and for aircraft. Normally, the company supplies the pulp and paper and mining industries.

Operating under new management, the plant cost nearly $125,000, it is stated and covers 30,000 sq. ft. of floor space.

DIVIDEND NOTICES

Dominion Bridge Company, Limited

DIVIDEND NOTICE

A Dividend of THIRTY CENTS (30c) per Share on the Outstanding No Par Value Shares of this Company has been declared for the Quarter ending 31st July, 1944, payable 25th August, 1944, to Shareholders of record at the close of business on the 31st July, 1944.

By Order of the Board.
F. W. EVENS,
Secretary.

Montreal, Que., 25th July, 1944.

Commoil Limited

DIVIDEND NOTICE

Notice is hereby given that a dividend of ½ cent per share has been declared on the outstanding no par value shares of the Company, payable August 25th, 1944, to shareholders of record at the close of business, August 4th, 1944.

The transfer books of the Company will not be closed.

By Order of the Board.
G. J. McKAY,
Secretary.

July 17th, 1944.

McIntyre Porcupine Mines

LIMITED

(No Personal Liability)

DIVIDEND NO. 108

Notice is hereby given that a dividend of fifty-five and one-half cents (55½c) per share in Canadian currency will be paid on September 1, 1944, to shareholders of record at the close of business August 1, 1944.

By Order of the Board.
W. B. DIX,
Treasurer.

Dated at Toronto, July 18, 1944.

ALUMINIUM LIMITED

COMMON DIVIDEND

On July 20th, 1944, a quarterly dividend of $2.00 was declared on the Common Shares of this Company payable in Canadian Funds September 5th, 1944, to shareholders of record at the close of business August 11th, 1944.

Montreal
July 20th, 1944

J. A. DULLEA,
Secretary

WAITE AMULET MINES, LIMITED

DIVIDEND NOTICE

Notice is hereby given that an interim dividend of Twenty Cents (20c) per share, payable in Canadian funds, has been declared by the Directors of WAITE AMULET MINES LIMITED, payable September 11th, 1944, to shareholders of record at the close of business August 10th, 1944

By order of the Board.
J. R. BRADFIELD,
Secretary.

Toronto, Ont.,
July 19th, 1944.

Cor. Paper Box Sales May Rise

Earnings Expected to Hold Though Labor Turnover Still High

Corrugated Paper Box Co., which is working entirely on allocation with supplies of paperboard and distribution of boxes both subject to allocation, is maintaining sales at about the 1943 level, The Financial Post is informed.

Earnings have been varying from one division to another, with some divisions finding it hard to equal last year's net, but in general, over the whole organization, the company expects little or no change in earnings. Last year, total net earnings before taxes and other charges were $316,339; net profit amounted to $85,203, or $13.35 per preferred share outstanding, 86 cents per common share.

Common earnings rose $1 per share from 1939 to 1942, when they reached $1.29. In the same period, working capital rose from $339,328 to $603,202. The number of preference shares outstanding in the hands of the public has been reduced from 7,260 at Dec. 31, 1937, to 6,382 at Dec. 31, 1943.

Preferred stock arrears were eliminated by payment of $8.75 on March 1, 1944. Recently approved by shareholders were by-law amendments enabling the company to purchase preferred shares in anticipation of sinking fund requirements.

The drop in earnings which took place in 1943 was attributed to labor turnover, which is still reported high, with no immediate prospect of improvement.

Postwar prospects for the industry are entirely dependent on the plans of others, officials say. They point out that box manufacture is essentially a service industry, assisting others in the marketing of their products.

Quebec Power Profit Up in 2nd Quarter

From Our Own Correspondent

MONTREAL.—Quebec Power Co. reports for the first half of 1944 gross revenues of $2,196,934 against $2,085,528 in like 1943 period. Lower fixed charges and Dominion tax provision more than offset increase in operating costs, with the result that net income for this year's period was $290,380, equal to 52½ cents a share on the common, compared with net income year before of $287,499, or 52 cents a share.

For the second quarter of this year net income was $146,554, or 26½ cents a share. T is compared with net income preceding quarter of $143,826, or 26 cents a share, and net in second 1943 quarter of $143,-119, or 26 cents a share.

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THE FINANCIAL POST
481 University Avenue, Toronto 2

MARKET COMMENT

Market Tone Turns Better

Tone of Canadian security markets turned stronger again on Tuesday after a considerable amount of profit taking had been encountered over a period of more than a week. No new highs were established in the week ended July 25, but averages remain not far below their highs except in the case of the Montreal Stock Exchange pulp and papers, a volatile group of stocks.

Tuesday, Toronto industrials closed at 85.9. Golds at 111.61 were up .53 on the day.

New York turned higher while London industrials continued at their 1944 high.

• • •

Barron's (New York); The Trader: Reactionary influences dominated the stock market from the outset of trading last week. On Monday the first set-back of as much as a point for the Dow-Jones industrial-share average since April 24, or nearly three months, aroused misgivings, and loss of about as much ground on Tuesday intensified the conservatism of both speculators and professionals who for three weeks had been observing the slow upward progress during the period of active trading. On Thursday announcements of the removal of the Japanese Prime Minister and of the attack upon Hitler led to sudden realizing in the last quarter hour of trading. On Friday and Saturday mild "peace scares" developed, and prices gave way again. By the end of the week the Dow-Jones industrials stood at 145.58, a loss of 4.91 points . . . For once the cause of the stock market movement could be definitely localized. Enormous Russian successes and continued Allied aerial hammering of Germany had for several weeks heralded a probable early ending of the European war this year, so that the attack upon Hitler could hardly have been interpreted as other than the handwriting on the wall. Immediate result has been, as it always is in Wall Street, to shift psychology from unbridled optimism over a postwar boom to apprehension over the effect of early reconversion of industry from a war to a peace basis.

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Barron's (New York); The Dow Theorist: A decline of sufficient scope in the Dow-Jones industrial average to be called a minor reaction took place in the stock market the past week. In the corresponding rail average the total recession from the high is only about a point and a half, and that is barely even a minor move. In any case, such a reaction at this time is entirely a normal market development following 12 weeks of almost uninterrupted advance. Indeed, if the present move should develop into a secondary reaction, that would also be normal, and although it would also raise the possibility that a bear market was starting, it would not necessarily forecast one. A secondary decline, if of normal proportions, would retrace at least one third of the advance in the two averages since Nov. 30, 1943, taking the industrials down to or below 143.50 and the rails to or under 38.85. A signal indicating a secondary decline under the Dow theory would occur if the present minor recession, after going a bit farther, were followed first by a rally failing to reach the July 10-12 highs in one or both averages, and then by a decline going to new lows since July 12.

• • •

New Highs and Lows

Despite the easier trend of Canadian stock markets the week ended July 24, 31 "general" stocks made new 1944 highs with no new lows reported for the period.

Five mining stocks made new highs in a weaker market and there was only one new low—Bagamac. Oils attracted greater attention with two making new highs.

GENERAL
New Highs—1944

Alum. of Can. pf.	Int. Utilities, new
Assoc. Breweries	Maclaren Power
Bertram & Sons	Maple Leaf Mill., c.
B. A. Oil	McColl Front., pf.
B. C. Pulp, c.	Moore Corp. p (A)
Can. Malting	Regent Knit., c.
Can. Packers	Riverside Silk M. A
Candn. Wire Box	Simpsons (B)
Crow's N. Pass Coal	Steel of Can., c.
Dom. Dairies, c.	Thayers, pf.
Dom. Textiles, pf.	Tip Top Tailors
Dom. Woollens, rts.	Tuckett Tob.
Gt. West Sadd. p.	Western Groc., c.
Halifax Ins.	Do., pref.
Hayes Steel	Zellers, c.
Ind. Accept. (A)	

MINING
New Highs—1944

Bayonne	Pioneer
Nor. Canada	Preston E. Dome
Pac. Nickel	

New Lows—1944

Bagamac

OILS
New Highs—1944

Highwood Sarcee   National Pete.

Kensington Geology Described in Report

Quebec's Kensington area, in which little prospecting has yet been done, is the subject of preliminary report No. 183 just issued by Quebec Department of Mines. The area, which embraces parts of Gatineau and Labelle counties, is accessible from Maniwaki, terminus of the 82-mile railway from Ottawa, and from Highway No. 11, connecting Hull and Mont-Laurier.

Discoveries of minor importance have been made in the area, of sphalerite, molybdendite, graphite and mica (muscovite and phlogopite). Perfectly clear quartz crystals are stated to be fairly abundant in a siliceous band in the crystalline limestone, but the largest observed to date have a diameter of about one inch.

Prospect of brucite in the area is suggested by its appearance in the Grenville limestone of the Wakefield area, not far south of Kensington, the report adds.

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Norman A. Munnoch, K.C., Montreal, who succeeds Pierre Beullac, K.C., as general counsel of Bell Telephone Co. of Canada. He is a graduate of Osgoode Hall and veteran of World War I. Mr. Munnoch joined the company in 1928 as assistant to the general counsel, was called to the Quebec Bar in 1929 and became general solicitor in 1942, which office he held until his present appointment.

Noranda Subsid'y To Build Plant

Canadian Copper Refiners, a subsidiary of Noranda Mines, has let a contract to Foundation Co. for construction of a plant to manufacture copper sulphate on its property in Montreal East.

Capacity of the new plant will be about 5,000 tons per annum, it is stated. Work is expected to get under way within a few days, and completion is scheduled by next March.

At present, copper sulphate is not produced in Canada, Canadian requirements being imported from Great Britain and the United States. The product, fertilizer, is used by the potato industry of New Brunswick and by fruit growers in the Niagara Peninsula, it is stated.

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—Extract from Chairman's Statement.

Sixty-third Annual Report

BALANCE SHEET — 31st December, 1943

ASSETS

Government, Provincial and Municipal Securities		$38,653,055
Stocks and other Debentures		8,461,565
Market Value 31st December, 1943—$56,874,030		47,114,620
Cash in hand and on deposit		5,882,670
Branch and Agency Balances		8,638,030
Amounts due from other Companies		755,885
Interest and Rents Accrued		208,885
		62,600,090
Shares of Controlled Companies		2,461,440
House Property and Corporation Offices at cost less depreciation		5,331,530
		$70,393,060

LIABILITIES

Insurance Funds		$12,763,775
Reserve for Outstanding Claims (Estimated)		27,122,540
Sundry Creditors including Outstanding and Accruing Expenses		8,786,290
Amounts due to Agents and Other Companies		1,823,795
Provision for final dividend 1943		404,810
		50,901,210
INVESTMENT RESERVE		2,000,000
SURPLUS AND CAPITAL		
General Reserve	$12,500,000	
Balance Appropriation Account	3,067,990	
	15,567,990	
Capital Paid Up	1,923,860	17,491,850
		$70,393,060

The Funds of the Corporation and its Associated Companies at 31st December, 1943, in the aggregate exceed $110,000,000. ($5 taken as equivalent of £1 Sterling).

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LONDON CALLING—BY ADELPHI

Talk German Surrender, Partition Glad Hitler Spared for Hangman

By ADELPHI

LONDON.—News of the attempt on Hitler's life has been followed by flying bombs as if the Germans were anxious to convince us that Hitler does not lack loyal and murderous followers. The people here are torn between two emotions. One of regret that Hitler was not killed and one of relief that he may still live to be hanged. Dismissal of Rundstedt was almost certain to be a prelude to something dramatic. Feeling between the High Command and Nazis has been growing more intense all the time and even the Gestapo cannot terrorize the whole of the Germany Army. The truth is that the Army is more terrified of the Russians in the East and Allied armies in the West than of Himmler's gunmen.

• • •

Eden Upholds Blank Surrender

There was an angry scene in the Commons when a group of left wingers demanded we should announce our terms to Germany now and so try to induce them to throw down their arms. Churchill was roundly criticized for having determined on unconditional surrender which could only assist to keep the Germans fighting. As debate was on a billion pound credit for prosecution of the war, Sir John Anderson, as Chancellor, replied. But left-wingers were not satisfied. Either the Prime Minister or Foreign Secretary had to do it.

Eden thereupon got to his feet and with unaccustomed anger hit out in all directions. He said Socialists were confusing armistice terms with peace terms and it was this very confusion last time which produced the legend that Germany had been tricked into surrender, whereas she had been completely crushed in the field.

The debate was useful; it proved that unconditonal surrender was the only possible basis of an armistice to Germany.

• • •

Investors Bet on Partition

The City—that is, the financial community— believes that Germany is to be partitioned after the war. Evidence of this is the buying of German bonds, which have sharply advanced in price. If it was thought that Germany was to remain intact the price would not go up. The Germans have a genius for repudiation nor would they be in a position to pay for a long time.

The City thinks that Holland, Belgium, Czechoslovakia and Poland are all to get an accession of German territory and that they will form a central federation.

It might work.

The curious part of it is that although Germany is such a closely knit fighting unit there is no real sense of nationhood as between Bavarian, Rheinlander, Saxon and Prussian.

Part of the tragedy of Germany is that she has produced only one first-class politician in her history. Bismarck did a lot of harm, but at least he laid down that Germany should never come in conflict with Russia or Britain. He also said the whole of Africa was not worth the bones of a Prussian grenadier. But later the Kaiser dropped him and went his own grandiose way to disaster.

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Colonies House Topic

The House, the day after the debate about German surrender, discussed the future of colonies and once more Oliver Stanley showed he is the best Colonial Secretary for many years. There is undoubtedly going to be an era of vast development in these regions and it presents a picture in which you in Canada might take a partner's interest.

• • •

Bombs Still Flying In

General opinion in London is that the war is rolling drunkenly to its close, but that Hitler will hurl every diabolitical thing he has got on London before the end comes. Some parts of the Metropolis on the Thames are beginning to look pretty well knocked about. While there are streets without a mark there are also some that are badly damaged.

Parliament has another week to go before summer recess. Out-of-town members will find the path of duty congenial when they leave for their constituencies, but there will be no rest for London M.P.'s—they must stand by their flocks and see bombing out to its finish.

The signalling devices on the whole are very helpful. The siren which voices too prolonged a wailing tells us that a bomb is on its way and then civil defense workers blow whistles to give warning that it is coming toward the district where they are stationed . . . In fact local whistles have just gone and with your leave I shall go below for a few moments and take up the discourse later . . . There were two of them that time but they exploded some distance away.

For some reason the bomb has lost its early terror althought not its destructive power. Perhaps it is because our ears have grown so sensitive to the drone of engines that we can almost tell the exact flight of the confounded thing.

Dark Theatres Annoy

There is some bitterness over closing down of all big musical shows in London. One dramatic critic declared in his newspaper that such conduct was a break with the old-established tradition of the stage that the show must go on. Managements answer that they were playing to empty houses, that the musicians' union would not agree to a cut in orchestral wages, that rents were maintained at top price and that the Government still collected the entertainment tax. There may be something in their case but the fact is that bus drivers, railway workers and shop assistants carry on and a feeling remains that theatres should have done the same.

Americans in London have behaved splendidly. They have assisted in succoring people from bombed houses and have shown no signs of fear. It has made a fresh bond of sympathy between them and resident Londoners.

The feud between Herbert Morrison and Ernest Bevin grows apace. There is a move to get Morrison out of Hackney for the next election. Morrison has a strange record in that constituency; has been its mayor and its M.P. yet twice was rejected at the polls. Brilliant as he is, Morrison makes more enemies than friends. Perhaps it is because he is brilliant.

• • •

Canada's Cricket Doubtful

Here are two Canadian items in today's newspapers.

I quote from the Daily Herald—"Sunday's dinner should be appetizing. Some excellent Canadian beef will be on sale today and roughly every second family should be able to get a share. Alternatives will be American veal and Icelandic lamb, as well as pork." The other item concerns a cricket match at Lord's between Canadians and a Lord's eleven. The Canadians started well, dismissing a batsman with the first ball bowled. But I am sorry to say this start was not maintained. When the Canadians batted, the last eight wickets fell for 22 runs, which is not very good. In other words, the English won. But the public will be more interested in the meat ration from Canada than in her cricketers.

• • •

State Control Threat Wanes

British doctors are up in arms against the proposed state medical service which will virtually make doctors paid servants of the Ministry of Health. The English have a deep faith in the voluntary hospital, where all the best specialists give free consultation and service and where research can go on uninterrupted by bureaucratic interference. Doctors are organizing meetings in many constituencies and are calling on Tory M.P.'s to save this bastion of individualism. They will be encouraged in their stand by the recommendation of Canadian doctors overseas that Canada's medical profession should not become state employees.

Actually, the threat of state control is beginning to recede. The Englishman is a cool-headed fellow and hates socialism at heart.

Let's Start a Bank

A Series on How the Chartered Banks Are Organized and How They Operate

ARTICLE II

It was two or three nights later the three friends gathered together to make plans for starting a bank.

"I suppose," said Tom, "the first thing we have to do, after satisfying all legal requirements, is get a staff together and a building for a head office."

"Yes," said Harry, "I guess there is no doubt we would want to start with our head office right here where we live. So we might as well start looking for a building. We will want it some place that will be good for business, so people will see it and can come in easily to do business.

"Sure," interrupted Tom, "a bank, like any other business concern, has got to let people know it is in business or it just doesn't get anywhere. We would want to have our head office right on the main street."

"Well then," said Harry, "let's all try to figure out where would be the best place for our head office and then take a look at the buildings around there and see if we can arrive at an exact location."

"I don't think that will bother us so much as getting a staff together," interrupted Harry. "What we really want to get first is a good general manager. He will help us pick out a location for the head office."

"Where'll we get him? queried Tom.

"Well," answered Harry, "I think we had better look among the bankers we know for a general manager. You can't just put anybody there. You have to get somebody who knows what it's all about. Somebody who knows not only the problems of running a branch but also those of the head office. I think the best plan to start on would be to see if we can get a chap from the head offices of one of the other banks who really knows something about banking."

"Why can't we get somebody from some other line of business? Do we have to go to another bank to get a man?" asked Tom.

"We have to get a real banker," said Harry emphatically. "You, Tom, are running a factory, but you wouldn't like to put in a successful merchant or lawyer to run your business, would you? You'd want somebody who knows something about the business, not only the actual operation of the plant itself but the job of marketing its products, watching all legal requirements, etc. The same thing with a bank only more so, because banks are so closely regulated by the government."

"How's that?" said Harry.

You'll find out when we get down to really starting the business, I'll tell you then what all you have to do," said Harry.

The General Manager

"The general manager," he proceeded, "really occupies the most important position in the bank. He must not only be trained in banking but he must be a banker by instinct as well. He is responsible for the conduct of the bank, watches bank loans, etc. In most banks they have assistant general managers to help the general manager. As our bank gets larger we will have to have one or more."

"Well, okay then," agreed Tom, "but what other officers do we need?"

"We will need at least a superintendent of branches, a chief inspector and a secretary," answered Harry.

"What does each of these do?" asked Dick.

Other Officers

"The superintendent of branches does a lot of the work that would otherwise be done by the assistant general manager. He watches loans made by the branches and may authorize loans up to a stated sum, over which they must be submitted to the head office.

"The chief inspector gives special attention to work of the branches, his duties include auditing the books of the branches and verifying the value of the assets held.

"The secretary is the connecting link between all departments. He is also responsible for seeing that the bank complies with the numerous legal requirements which are laid down in the Bank Act and other government regulations.

"Another important job is that of chief accountant, whose duty it is to combine the accounts of the branches into consolidated statements to show the true condition of the bank as a whole, and he certifies the required reports for the government and the directors and the shareholders.

"Of course you have to have a lot of assistants and clerks to help these men. But they are the essential head office officials. Each one of them has to know his job."

"I guess we better go slow, then, in getting our head office staff together so we get the right sort of men," remarked Dick.

"Right," said Harry, "but once you get the general manager picked out he'll help you get the others. Got to go now, see you fellows again soon," he called back as he went out.

BANK OF CANADA

New Record Set B. of C. Note Issue

Note circulation of the Bank of Canada continued to rise in the week ending July 19, according to the weekly statement of the bank. It increased by approximately $2.3 millions to reach $932,352,503, a total of record proportions.

	July 19 1944	July 12 1944
Liabilities	$	$
Capital paid-up	5,000,000	5,000,000
Notes in circ.	932,352,503	930,053,720
Rest fund	8,041,601	8,041,601
Deposits: Dom.	51,042,051	58,387,765
Chartered bks.	394,738,851	399,928,514
Other	23,626,973	20,835,460
Total deposits	469,407,875	479,151,739
All other liabs.	18,524,621	18,851,436
Total liabs.	1,433,326,599	1,441,098,496
Assets		
In Sterl. & U. S.	13,943,349	12,833,802
Subsid. coin	504,148	462,814
Investments:		
Dom. gov. sh.	812,309,239	825,922,960
Oth. Dom. gov.	591,267,762	581,873,802
Total invest.	1,403,577,001	1,407,796,762
Premises	1,985,652	1,979,780
All other assets	13,416,448	18,005,339
Total assets	1,433,326,599	1,441,098,496

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Minerals and Post-war Reconstruction

In the past twenty years, the mining industry of the Province of Quebec has expanded rapidly. The Province is now an important producer of gold and silver, and such base metals as copper, chromium, lead, zinc, titanium, molybdenum and tungsten.

The output of strategic minerals from Quebec mines, during the war years, has been a vital contribution to Canada's war effort.

In the difficult post-war years which lie ahead of us, the mines of this Province can be depended upon to play a noteworthy part in the work of reconstruction.

Quebec Department of Mines

HON. EDGAR ROCHETTE, K.C., Minister.
A. O. DUFRESNE, Deputy Minister

THE FINANCIAL POST

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What Postwar Markets for Steel?

Count on General Expansion to Absorb Our Doubled Capacity

Spurred on to meet the mounting demands of the war in Europe, Canada's steel makers have taken very little time to calculate what they will do with their vastly inflated power to produce.

The figures are, to put it mildly, awe-inspiring.

The nation's rated capacity is (May, 1944) estimated at 3,559,000 tons of steel annually. Production in that month of over 260,000 tons indicates a yearly output of something like 3,250,000 short tons, or around 92% of rated capacity.

Now look at previous steel requirements.

At the peak of the last war Canada turned out a little more than 1,870,000 long tons of steel; at peak of the 1929 automobile boom the figure was just under 1,550,000 tons; in the 1937 recovery we reached 1,570,000 tons.

In short, no peacetime year has yet shown the need for much more than half of our present rate of production and no year before the war has brought a demand for much more than half our present capacity.

If the industry is to keep all or most of its new capacity employed it must, either through exports or increased home consumption, find markets for twice as much steel as before the war. No brand new markets of sufficient size have yet appeared on the horizon, and steel men currently are confining their postwar planning to ways and means of stimulating a broad advance in all the markets served before the war.

And although the apparent "excess capacity" creates the basic problem for the steel planners, it also provides them with some of the answers, for the increase in capacity has been accompanied by an even greater advance in new types of steels and new techniques.

Background for the postwar solution will be found in steel's technical advances, new formulae, methods, devices and materials developed or adapted while output soared under the prod of war.

Canada's hard won independence in armor plate is one of her biggest metallurgical achievements in this metal-borne conflict. As late as 1940-41 few thought Canada could produce high-grade alloy steels of the kind demanded by present armor plate specifications. But she was doing so and in quantity within a year of the call.

For example, within that space of time, according to officials of Dominion Foundries & Steel Ltd., the Dofasco plant at Hamilton not only had attained steady output of armor plate but was turning out a plate 50% easier to machine and 20% better in ballistic tests than previous plates.

Alloy steel capacity, multiplied many times since war began, has been fully employed and this in the face of an alloy metal shortage. By developing and adapting lean alloy metallurgy, by utilizing "close controlled heat treatment and quenching," the industry was able to materially reduce its requirement of the critical alloy metals and so meet the challenge.

Thus, though the alloys—molybdenum, tungsten, chrome and manganese—are still rated war-essential, better use is being made of them and vast quantities being saved by improved methods. Atlas Steels of Welland has contributed greatly to this record.

Canada's Gun Steel

Still another credit has been chalked up to the steel industry. When certain alloy forgings, essential to the war effort, were unobtainable because shipments had been torpedoed en route to this country, steel men worked wonders in developing out of alloy castings substitutes for the forgings at greatly reduced costs and with no loss of quality. This also meant a saving in time in turning out the necessary gun plate, and if Canada had not proved equal to the task, the industry claims, the war might conceivably have gone otherwise.

The specially heated steel and forgings for anti-aircraft guns proved better than the specifications the British blueprint called for, it is said. An improved steel, with longer life, it has been developed by a change in the combination of alloys and by use of the latest modern heat-treating furnaces having automatic electric control with a plus or minus difference of only 10 deg. between different parts of the furnace—an amazingly small variation when it is realized that the furnaces frequently operate at temperatures exceeding 2,500 deg.

In view of these improvements in quality and expansion in output, what of the future?

Confident About Markets

The industry appears to entertain little doubt that the bulk of its expanded capacity will be employed after the war. Optimism about the domestic as well as the foreign market is in the ascendent. For example, Steel Co. of Canada sees a big backlog for steel in needed refrigerators, automobiles, metal furniture and containers, and Dofasco expects to double its sheet steel capacity alone to supply the coming market in radios, washing machines and containers of many kinds. The belief is that many products which have been boxed in paper as an emergency measure will revert to tin plate as soon as the restrictions are eased. Despite the low costs of paperboard, the speed of producing containers from tin plate is so great as to make this by far the cheaper container.

With the advent of thinner alloy steels, making for lighter weight, a big market is seen opening up for lightweight automobile bodies and parts, railway freight cars, etc.

In fact, expansion in the manufacture of thin grades of steel is expected to exceed any pre-war figure and the industry looks forward, The Financial Post is told, to being able to supply any demand that may arise for alloy steels.

Other outlets are seen in automobile drive shafts and axles, drill steel for mines, roller and ball bearings, corrosion-resistant steels, ornamental and architectural products, etc.

A goodly share of the market for steel to rebuild blitzed Europe and to supply those devastated lands with farm equipment is anticipated. Railway equipment for India is already being contracted for, it is reported, and certain companies are feeling out trade markets in South America and Africa.

New Light Steels to Compete

Steel officials tell The Post they are quite assured they can hold their own with aluminum and magnesium by means of the thinner alloy steels. They believe, though, that there will be a place in the postwar economy for both metals, each having special characteristics which will be in demand from certain consumers.

They do not anticipate any extensive use of steel for housing, however. "Bricks, mortar and concrete, which are supplied locally and which also provide much local labor, will continue to be the main source of building materials," they say.

Only extensive use of prefabricated steel in the housing field, they think, might figure on construction or mining projects where a housing unit could be thrown up rapidly and just as quickly taken apart and moved to other points.

Steel for barns may substitute for wood because of the ease with which patterns can be standardized. Officials point out, though, that use of steel for barns in which hay, etc., is to be stored will prove satisfactory, but not where stock is to be stabled unless the framework has the additional protection of insulation.

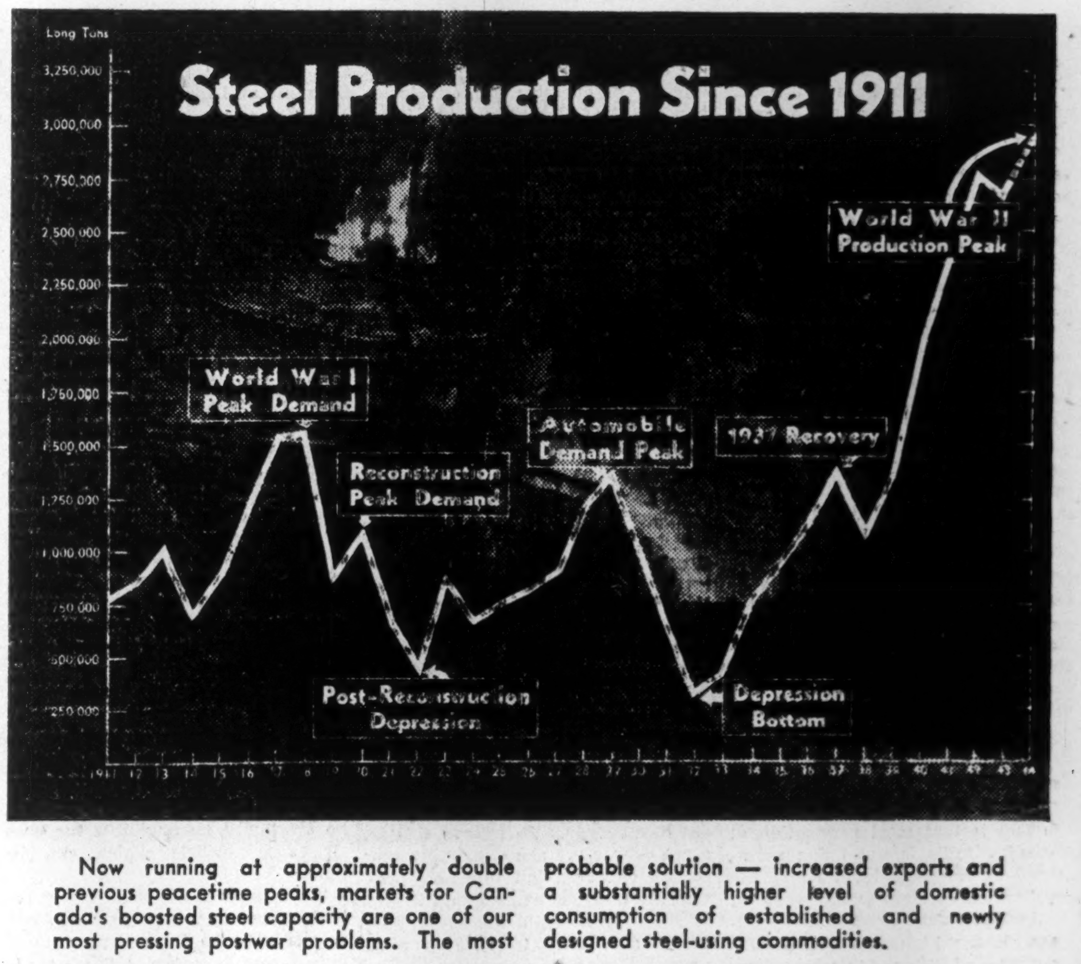
Rightly or wrongly, no big market in Canadian shipbuilding is looked for. One official expressed the opinion a shipbuilding industry in Canada could not meet competition with United Kingdom and Scandinavian shipbuilders, chiefly because of higher labor costs and lack of the skilled labor that these countries can draw on.

Household Equipment

If we in Canada don't build houses of steel in future, at least steel will come into its own in the Canadian kitchen. Stainless steels, it is believed, will be used more and more because of their sanitary properties. In the kitchen, too, the new age of thin steels is expected to ring up a popularity record for pressure cookers. A great expansion is anticipated in this field, as vegetables cooked in this manner can be prepared very rapidly, their nutritive content at the same time retained in higher that ordinary degree.

New uses for steel will be hard to find, one authority points out, his particular company before the war even then having been producing some 12,000 lines of steelware.

Officials admit that the postwar picture for steel products is still pretty much clouded by such intangibles as labor, and the extent to which controls are retained or scrapped. By and large they look to the big domestic backlog of automobiles, steel buildings and bridges, railway equipment, farm machinery and household equipment as the main hope, though certain companies are casting about in South Africa and South America, India and China for export markets to take the products of their much expanded capacity.



Now running at approximately double previous peacetime peaks, markets for Canada's boosted steel capacity are one of our most pressing postwar problems. The most probable solution — increased exports and a substantially higher level of domestic consumption of established and newly designed steel-using commodities.

The Move to Mass Output

Canada's Most Significant Wartime Industrial Change

By R. E. CRAWFORD
Editor, Canadian Machinery

How much real industrial progress has Canada made during the war—and how much of it will stick?

Some of the answers to those questions belong legitimately to the crystal-gazing fraternity, but it is possible to assess the progress we have made, possible to analyze the basis on which that progress has rested.

Canada's strides toward mass production have resulted as a rule in certain manufacturers having more of a single product to produce repetitively than they ever had before. This is a natural result of needs of war, as witness the aircraft industry, where a plant, by exerting every effort both in sales and manufacturing methods, might have been selling one aircraft per week. Now, figures of 30 per week may be discussed without suggesting miracles and this in connection with military aircraft of enormous complication.

In most of the instances in which our war material producers have made such surprising output records, the means used were not new. Mass production itself has changed little as a result of the war. Its impact has, however, reached farther and farther afield.

Most of It Is Old

The automatic screw machine—which gobbles up steel or brass bars, switches them from one operation to the next in uncanny fashion and turns out bolts, nuts, pins, 20 mm. or 40 mm. shells, has been on the market and actively used for years. It has been able for years to do the jobs it is now doing. It has, however, found its use only in plants that have large quantities of repetition work — the bolt specialists, auto parts manufacturers, or the automotive plants themselves.

Broaching is another of the tools that have found wide application, especially in gun production. Imagine a large round file, smallest at the point and getting larger toward the opposite end, and thrust point first through a hole. If you grasped the point tightly enough and pulled hard enough—and the work didn't move and the file didn't break—and the file was pulled through, the hole would be larger—as large as the big end of the file. Well, that is broaching. The teeth are, of course, accurately cut, the pulling arrangements especially refined, and the shape of the cutter may be almost anything, usually starting with a round point, in a round hole, and finishing with a square, a circle, or a circle with one or two or six "key slots" around it, or a circle with tongues of metal projecting inside. It takes seconds or a minute to pull the "broach" and the work is done and very accurately.

Auto Builders Pioneered

But this process has been the stock-in-trade of the automobile industry for years. Few other manufacturers ever had enough of any one shape to warrant spending several thousand dollars on a machine and anywhere up to $600 and $700 for a cutter to do one special job.

Honing has long been the hallmark of high quality, high accuracy finish in an automobile engine cylinder. Similarly, of course, in aircraft engine cylinders and landing gear and other hydraulic cylinders for aircraft. Without going into details of the process it quickly brings a cylinder to exact size and perfect polish—controlled all the way. Now dozens of plants all across Canada have honing divisions where anywhere up to a dozen or more machines are working day and night. Women have learned to operate the machines and be perfectly at home with them.

Press work—making the bent and drawn sheet metal parts such as automobile fenders, jam jar rings, pots and pans, car headlights, cigarette lighters, ash trays, door keys—is not new, though many applications of rubber dies and zinc alloy dies have found their particular applications in aircraft sheet metal parts, where perhaps one thousand or two thousands only were needed—far too few for the expense of a full-scale set of press tools but far too many for handwork. In a similar quantity range for peacetime applications there is only a limited field for this type of production.

Nazi Boomerang

The cemented carbide cutting tool —a German discovery — has had boomerang effects as a result of the war. Carbides of tungsten, titanium, tantalum — expensive products of powder metallurgy—are enormously hard. They made possible the cutting of steel, as in the turning of shells, at enormously high speeds—from 3 to 30 times as fast as with earlier materials.

Not only that, but when tungsten became scarce when the Japs cut off our supply, which came mostly from China, we were able to make a very little go a long way. Only the point of a cutting tool does the cutting—so it was possible to apply only a tiny tip to a large tool bar. Since the carbide is not strong, it was better that way anyway, for the holder is made of high strength, low-cost steel that needs no precious alloys.

That development had been under way widely for four years or more before the war, but reached new peaks in war production. We now have an entire race of machine shop managers, supervisors and operators who are quite familiar with the use of this valuable material and who will see that it is applied to more and more jobs after the war.

Even now fabulous cutting speeds are being achieved by the use of what is called "fly cutting." This is done on a milling machine, one in which the cutter is circular and turns as the work moves slowly past it. Speeds are so high that often there is room for only two cutters to whirl into the cut in the metal—a favorite is the aluminum alloy of aircraft parts, though tool steels are so handled with equal success, as well as other steels.

New Uses for Old Techniques

The question of the new mass production picture is answered then less in the development of new methods than it is by the introduction of already existing methods to many new users.

Mass production means just that; it involves a "mass." The fastest method of producing each individual piece is not the only criterion of the most desirable method to use.

Costly tooling may turn out parts at the rate of one per second, but the cost of this tooling must be divided over the total number of pieces to be produced by those tools. It then becomes a question of deciding how many parts will be required in a year, or other period of time, and a proper balance of the cost per part plus the cost of the tooling and initial equipment giving the lowest final cost per part is the preferable method, other things being equal.

Automobile manufacturers work partly from the other end, that is they develop a means of producing a great many parts at a very low cost, and then the low price is an incentive to buyers to consume the large quantity thus made feasible.

The extent to which high quantity production can be applied is thus strictly limited by the number of pieces which can be sold. The farther that Canada can extend her markets the more of any one product she can sell, and in cases where the domestic market does not offer enough scope for price reductions by improved production methods, Canadian manufacturers might be able to turn the balance by export markets. This, of course, is elementary and many Canadian manufacturers long ago took advantage of it. Its practical implications have been thoroughly discussed in the case of the United States when we were searching for causes of the depression of the '30's.

Some New Inventions

Some new wartime developments in another direction which may have their applications are the inventions rising out of the urgencies of war. Hon. C. D. Howe has referred to the Government's plans for the development of a gas turbine growing out of the needs for jet propulsion of planes. A few gas turbines have been sold in the United States and this machine promises to become a prime mover ranking in importance with the steam engine and the present-day internal combustion. Possibilities for economy in the gas turbine lie in the fact that low-grade fuels are burned directly where the energy is taken from them so that many of the losses incidental to even the highest efficiency steam generating plants are by-passed.

There will be some applications of synthetic rubber and intensive present-day research is said to be improving greatly the automobile tire made from this material. The most conservative claims for performance of these tires come from the rubber manufacturers themselves, which is an encouraging sign and indicates that if and when they reach the market they will be a proved product. For other applications requiring a flexible material with added properties, synthetics had already proved themselves in many spheres—for resistance to oil conditions, heat, chemical action and other instances we were already supplied in some degree before the war and developments have proceeded on even more materials for those purposes.

Chemicals, agricultural and industrial, are developing actively in accordance, and the plastics industry has an important future, not necessarily related to some of the claims made for it. It will find its place without question, by offering improved service against some other material, by doing equivalent work at lower cost or for similar reasons. Contrary to the inferences which may be drawn from many feverish magazine articles, it will have little effect on the future of steel.

Savings by Production Methods

Still the most dramatic presentation of successful Canadian mass production methods and ingenuity in manufacture is the compilation made by the Conservation Committee of the Department of Munitions and Supply, and its accompanying exhibition which has been kept up to date and shown to manufacturers in the United States and Canada. In Oct., 1942, estimates of savings to be made by new methods and substitution of equivalent materials over the program as it existed at that time would amount to $155 millions. More important at the moment, of course, was that many tons of critical or unobtainable materials would be saved without interfering with the success of the weapons in operation.

They have been actually identified from time to time in these pages, but it may be worth while to review a typical example of the savings, an example of a technical change that may be applied to civilian production.

A shell fuse is roughly conical in shape, and made from a corrosion-resisting material. This was traditionally done by turning the fuse to shape from a round brass bar.

This allowed the turning to be done in an automatic machine, since rolling a round bar is relatively simple and an automatic does not need too much attention on the part of skilled operators or mechanics.

(Continued on page 20)

Components of the Steel Industry

Pig Iron

Most vital of the materials used by the steel industry, pig iron is produced in quantity in Canada, 99.9% of tonnage used being produced domestically in a normal year.

Of the almost two million tons of pig iron turned out a year, basic iron accounts for over 80% while between 100,000 and 200,000 tons of foundry iron and malleable iron are also turned out.

Four firms—with 14 furnaces—form the backbone of the Canadian pig iron production front. With huge demands of war to meet, production has been geared to nearly 95% of rated capacity; furnaces have been "in blast" an average of about 336 days a year while many operate 365 days a year.

About 80% of "pigs" turned out are used in the steel mills of the producing companies; balance fetches about $22 a ton when sold to other plants.

To turn out close to two million tons of iron pigs, Canadian blast furnaces consume about 3.4 million tons of imported iron ore, mostly from the Mesabi field of the United States, and a few hundred thousand tons of Canadian ore. (With Steep Rock reaching production, the proportion of domestic ore used may soon increase).

At present pig iron production rate the entire 1932 output could be turned out in a single month.

Producing pig iron are:

	Rated Capacity Tons per 24 Hours	Location
Dominion Steel & Coal Corp.	1,344	Sydney, N.S.
Canadian Furnace Co.	613	Port Colborne
Steel Co. of Canada	2,072	Hamilton
Algoma Steel Corp.	1,792	Sault Ste. Marie

Ferro Alloys

Ferro-alloys are the principal form in which alloy metals are prepared for addition to steel in the furnaces, thereby adding toughness, hardness and other characteristics to steel. Canadian hydro power resources are a great advantage in their production.

Ferro-alloys are made by ten firms, who turn out 200,000 short tons a year—nearly three times pre-war production. Ferro-silicon is the most common type made by nine firms, five of whom are abrasive companies who produce it as a by-product. Only company not making ferro-silicon is Electric Reduction Co. of Canada, which makes ferro-phosphorus.

Spiegeleisen is made by Canadian Furnace Co., Sil-"X" and Chrom-"X" by Chromium Mining & Smelting Corp., calcium silicon and silicon metal by St. Lawrence Alloys and Metals. Electro Metallurgical Co. of Canada produces the greatest variety of alloys: ferrochrome, ferromanganese, silicomanganese, ferro-manganese silicon, spiegeleisen, silicospiegeleisen and calcium manganese silicon.

Abrasive Co. of Canada, Hamilton.
Canadian Carborundum Co., Niagara Falls.
Exolon Co., Thorold.
Lionite Abrasives, Stamford.
Norton Co., Chippawa.
Canadian Furnace, Port Colborne.
Chromium Mining & Smelting Corp., Sault Ste. Marie.
Electro Metallurgical Co., Welland.
St. Lawrence Alloys & Metals, Beauharnois.
Electric Reduction Co. of Canada, Buckingham.

Scrap

There are several reasons why Canada has stressed use of a large amount of scrap iron and steel in wartime, why Canada uses close to two million tons of scrap a year. When scrap can be used in place of iron ore, steel capacity can be increased; scrap often contains nickel or other alloying elements, reducing the quantity of alloy metals that have to be added to reach a specified steel formula; use of scrap reduces the demands for pig iron.

Trimmings, croppings to remove impurities, and reject material, allow the steel industry to provide nearly half its own scrap. Balance costing around $22 a ton comes chiefly from scrap machinery, machine shops and from worn-out farm implements.

Scrap, during wartime, has been found in many unsuspected places. And the success of scrap drives has resulted in saving U. S. dollars which otherwise would have been needed for iron ore imports.

Scrap absorption is now more than twice as high as before the war. At one point, so successful was the scrap drive that a war plant was unable to secure any premium for its nickel-bearing scrap. Alloy-bearing scrap, of course, has been part of the secret in turning out tough steels with a minimum of extra alloys.

Value of scrap depends upon its character; for instance, steel turnings fetch a much lower price than larger sections. However, during the war, much has been done to improve the quality of scrap; a larger proportion of light scrap is now tightly compressed so that it will not tend to "burn" in the furnaces.

Steel Ingots and Castings

In 123 furnaces, 35 plants, some of them operated by producers of finished metal goods (Sorel, Ford), produce over three million tons of steel ingots and castings a year. From 11 makers, ingots form about 95% of production. Nearly 90% of the ingots come from basic open hearth furnaces, nearly 80% of the castings from electric furnaces. To the 70 electric furnaces, 50 basic open hearth furnaces, and three converters last reported in operation, went $48 millions of metals, ores and other materials. As with the pig iron, most of the production went through for finishing in the plants of the same companies.

	Rated annual capacity (net tons)	Location
Maritime Steel	3,360	New Glasgow
Dominion Steel & Coal	750,400	Sydney
Canadian Brake Shoe	2,400	Sherbrooke
Canadian Car	99,624	Montreal
Canadian Tube	44,600	Montreal
Electric Steels	59,000	Cap de la Madeleine
Hull Iron & Steel	14,480	Hull
Joliette Steel	6,900	Joliette
La Cie F. X. Drolet	300	Quebec
Lynn MacLeod	3,150	Thetford Mines
Manganese Steel Castings	1,848	Sherbrooke
Shawinigan Chemicals	2,808	Shawinigan Falls, P.Q.
Sorel Industries	44,800	Sorel
Sorel Steel Foundries	8,400	Sorel
Algoma Steel Corp.	720,000	Sault Ste. Marie
Atlas Steels	139,200	Welland
Burlington Steel Co.	24,000	Hamilton
Can. Electric Castings	6,000	Orillia

	Rated annual capacity (net tons)	Location
Dom. F'dries & Steel	306,600	Hamilton
Fahralloy Canada	1,860	Orillia
Federal Foundries	13,140	London
Ford Motor Co. of Canada	63,125	Windsor
Wm. Kennedy & Sons	13,800	Owen Sound
Steel Co. of Canada	1,240,000	Hamilton
Welland Electric Steel	5,400	Welland
Manitoba Rolling Mill	52,000	Selkirk
Manitoba Steel	4,000	Selkirk
Vulcan Iron Works	3,000	Winnipeg
Dominion Bridge Co.	20,400	Calgary
Riverside Iron Works	900	Calgary
Britannia M. & S.	4,200	Britannia Beach
Consolidated M. & S.	4,500	Trail
Reliance Foundry Co.	4,030	Vancouver
Vancouver Engineering Works	6,800	Vancouver
Westland Steel	1,380	Vancouver

Rolled and Drawn Steel

The iron and steel drawing and rolling industry turns out about $160 millions worth of hot rolled bars, plates, sheets, hoops, bands, strips, rails, rail fastenings, semi-finished rolled forms, structural shapes, wire rods and other products in a war year. To do this, the 18 plants use over $16 millions worth of materials, plus about three million tons of their own steel and scrap. Hot rolling of over two million tons of steel annually occupied 15 of the plants, the rest make cold drawn and cold rolled shapes.

Canadian Car & Foundry Co., Amherst.
Dominion Steel & Coal Corp., Sydney.
Trenton Steel Works, Trenton.
Canadian Tube & Steel Products, Montreal.
Peck Rolling Mills, Montreal.
Steel of Canada, Montreal.
Algoma Steel Corp., Sault Ste. Marie.
Atlas Steels.
Burlington Steel Co., Hamilton.
Dominion Foundries & Steel, Hamilton.
Federal Foundries & Steel, London.
Steel Co. of Canada, Hamilton (2).
Manitoba Rolling Mill Co., Selkirk.
Dominion Bridge Co., Winnipeg.
Stanley Steel Co., Hamilton.
Canadian Drawn Steel Co., Hamilton.
Union Drawn Steel Co., Hamilton.

R.V.N.

The Steel Famine Returns

Invasion Gobbles Up the Surplus of Early 1944

As Canada approaches her sixth year of war, the need for steel to meet this country's share in the war effort is greater than at any time in history.

Between November, 1943, and February, 1944, the situation was different. For a few short months it looked as if there would be, in 1944, ample steel not only to meet all expected war and essential requirements but enough to fill as well most of civilian needs.

Almost overnight that situation changed.

Orders began to pile in for more ships. Orders piled up under Mutual Aid to supply rails, locomotives, flat cars and other steel-using items to countries receiving this assistance. In addition, there was superimposed in March the vast new heavy artillery shell program which called for something like 35,000 additional tons of steel per month — 15% of Canadian production. For the balance of this year the shell program alone is estimated to require nearly 15% of total steel supplies from Canadian and U. S. sources. The new program is expected to reach its peak demand in August at something like 40,000 tons of steel.

Below The Peak

Against this continuing demand the fact is that steel production at Canadian mills is not being maintained at its peak level or at the level which demand would warrant.

Canadian steel production probably hit the high point with over 260,000 tons in May of this year. Currently it is at least 10% below that figure.

Chief reason for this decline is the lowered efficiency of manpower. It isn't so much the shortage of manpower as it is the inferior quality of manpower that is the current headache in the Canadian steel industry. On a straight basis of numbers employed, the steel industry is probably as well off as at any other time—or nearly so. But tonnage produced in relation to numbers of men employed is quite a different story.

One obvious difficulty which is not by any mean unique in the steel industry is absenteeism in many of its forms. For example, in at least one important plant the appearance recently of oversize pay envelopes as a result of discontinuance of the compulsory savings portion of the income tax was the signal for a demonstration on the part of the men which put a nasty crimp in production schedules.

Effect of Holidays

Another factor which looms ahead for 1944 is the introduction of the new Ontario labor statute which requires the giving of a week's holiday in all plants. Even though this has been temporarily hoisted it is possible that between now and the end of this year it will mean something like 38,000 to 39,000 tons of steel — about enough to meet the new invasion demand for heavy artillery shells.

Net effect of these changes in the supply situation was ably summed up by J. G. Godsoe, chairman of the Wartime Industries Control Board, speaking shortly after the invasion to the Canadian Manufacturers' Association.

"Sheet and strip are the tightest steel products today. Our productive capacity is limited and the demands which are resulting from new programs, particularly our new shell program, are in excess of our present day supply. To relieve this in some degree we are expanding our rolling capacity, but this new production will not come in until late in 1944. Even with this, we expect to be able only to take care of urgent demands and there seems little hope that we will be able to provide sheet or strip for any but the most essential civilian products for some time to come.

"Steel plate is also tight due principally to the fact that a very large portion of our production is needed for the shipbuilding program. We are endeavoring to secure additional quantities from the United States but even if this is arranged it will not have any appreciable effect upon the supply situation so far as civilian consumption is concerned.

"Tin plate is produced in only one mill in Canada. We are unable to increase production of tin plate without a corresponding decrease in the production of the armor plate and ship plate being produced in the same mill for war purposes.

Booked Three Months Ahead

"The capacity of the bar mills is fully booked for about 90 days with the minor exception of some converting mills. We hope that this situation will be somewhat relieved early in the third calendar quarter through slightly increased production and the completion of contracts for rails and plates for Great Britain.

"Miscellaneous steel products such as wire nails and bolts are in a relatively free position at present, largely because warehouses were able to replenish their inventories around the first of this year.

"The production of structural shapes for construction purposes has been sharply reduced in order to transfer the maximum quantity of steel over to the shell program. Because of the transfer to shell steel the present rolling schedules for structurals must be limited to not more than 3,000 tons per month. This is a drop of 55% from the production of similar steel in the last calendar quarter of 1943. By drawing upon the small inventories which were built up during the last six months, it is believed that urgent essential construction needs can be met but no steel will be available for construction projects which can be deferred.

"The scrap situation is somewhat better than it was a year ago and as a result we have been able to cut down on scrap collections in areas remote from consuming centres. The recent increase in the shell program will result in an increased consumption of electric furnace scrap but generally speaking we do not anticipate any shortage of steel scrap.

No Surplus

"In short, Canada does not have steel available at the present time—and there is little likelihood that we will have any available for some months to come—for purposes other than war use and the most essential civilian uses. At this date we cannot further expand our ingot production facilities, nor can we secure additional steel from the United States to make up the deficit which would occur if we were to attempt to take c[illegible] all the various projects for [illegible]el is sought, especially l[illegible] construction projects. Th[illegible]swer is that today we must curtail civilian consumption of steel. On this basis we are carefully controlling the rolling schedules of all Canadian steel producers as a simple, sure method of directing our production into urgent uses.

"Had I spoken to you in December of last year or January of this year I would have presented a much more optimistic picture of our steel supply position. You will probably recall that in September of last year there was a reduction in the rate of cargo shipbuilding and a general decrease in the shell program. Both these programs are heavy consumers of steel and with a reduced demand from these sources our over-all steel position was relatively comfortable beginning in November.

Short Set-up

"From that time we were able to eliminate progressively many of the regulations governing the purchase and use of steel and in particular to eliminate much of the paper-work previously required in approving individual purchase orders. Continued supervision of the producers' rolling schedules today maintain an effective control—but we have got rid of the paper work.

"At the same time we took advantage of the lull to build up inventories and generally improve our supply situation. In March of this year the situation changed very suddenly, in fact, overnight. As a result of experience gained on the battlefronts Canada was asked to increase substantially the production of heavy shells and steel ammunition boxes. This increase in orders for shells and shell boxes requires an additional 35,000 tons of steel per month which is 15% of the total Canadian production. For the balance of 1944 the shell program alone will require nearly 15% of our total steel supplies from both domestic and United States sources as against 7.6% in 1943.

"Some other war programs were also increased and our production of other items was maintained at a high level. In addition, we have undertaken to supply our allies with heavy quantities of steel products, including billets, rails, plate and wire rod. These factors meant that instead of having some steel to spare for less essential purposes we were suddenly in the position of not having steel enough to take care of our immediate war and essential civilian requirements. Changes like this have made it necessary for us to restrict again the use of steel to only the most essential uses."

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PULP AND PAPER THIS WEEK

Pulpwood Costs Raised

From Our Own Correspondent

MONTREAL.—The drought in the northern wood camps of central Canada, which, as reported in a recent issue of The Financial Post, has kept much of last winter's pulpwood cut piled on the river banks and unavailable to the mills, is continuing to cause serious concern, not only to Canadian but to U. S. authorities.

One step toward encouraging increased deliveries of pulpwood to the mills has been a new ruling by WPTB Timber Administrator A. H. Williamson, amending price ceiling regulations so as to permit payment of higher prices when wood is purchased by a mill through established dealers or brokers.

The new order has made no changes in maximum prices, but provides that dealers may add a charge of 40 cents per cord for handling rough pulpwood and 60 cents per cord for peeled pulpwood. Brokers' commissions are to be 75 cents and $1 per cord for rough and peeled pulpwood, respectively.

To Aid in Transport

One purpose of the new order is to increase deliveries from farmers and settlers by offering an incentive to brokers and dealers to finance and arrange transportation; also to help in fair distribution of wood among the mills.

In the United States, Harold Boeschenstein, acting director of the U. S. Forest Products Bureau, W.P.B., has announced that while newsprint deliveries from Canadian mills can be expected to continue at 200,000 tons monthly, as promised, there is a danger that deliveries from Canada in the fourth quarter may be "seriously reduced" as result of the "precarious position of the Canadian pulpwood drives."

Mr. Boeschenstein reported that unless adequate rainfall materializes in the upper watersheds of central Canada during the next few months, the present serious situation will continue to prevail, and Canadian newsprint production "may possibly be affected until such time as the pulpwood can be delivered to the mills" and "this might not be until late in the second quarter of 1945."

Military Needs Increasing

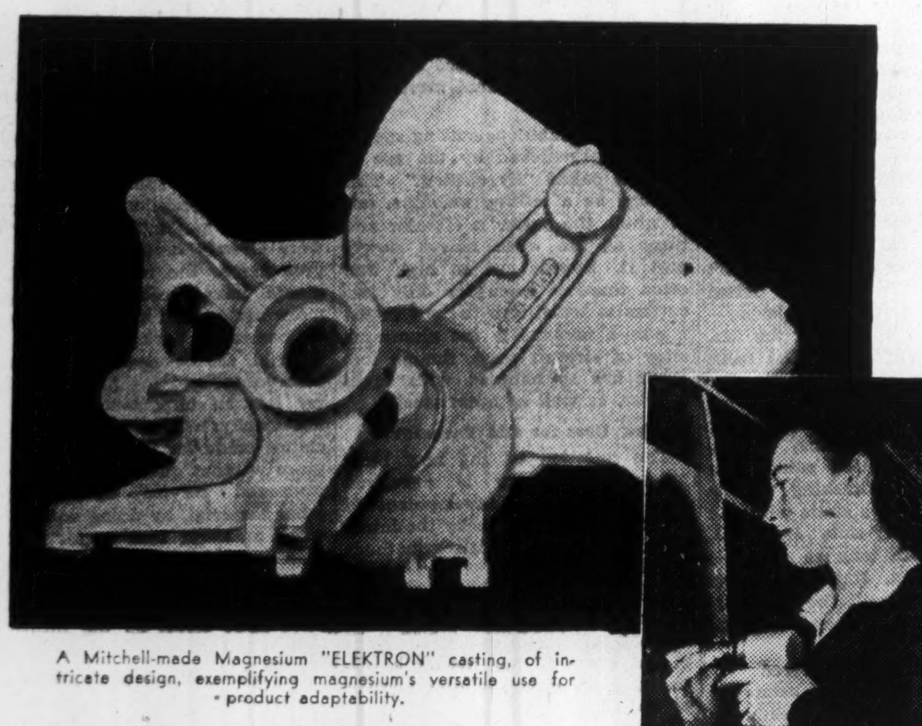
Mr. Boeschenstein emphasized that the quantity of newsprint paper that will be available to newspapers and other consumers in the latter part of 1944 is also dependent upon military demands as well as on the over-all supply of newsprint in the fourth quarter.

As a measure designed to stimulate production of newsprint from southern pine, the OPA office in the United States has amended ceiling price regulations to give an incentive to delivery of veneer cores for pulpwood rather than for other purposes. In addition, price of wood delivered by truck in the south has been raised, and changes made to encourage shipping of wood by barge for newsprint mill use.

* * *

New U. S. Price for Waste

The OPA at Washington has made a new change in price regulations for waste paper to encourage salvaging and proper bundling. The differential in price for baled wastepaper has been increased from $2 to $5 a ton, for all grades, while other changes give increased return on collection of papers in greatest need. For instance, the price for the two ledger grades of waste paper has been increased by $2.50 a ton, the price for "extra Manillas" by $2, when the papers are baled. In addition, the OPA has ruled that higher prices may be obtained for reclaimed small containers, to cover extra costs of handling, and to encourage salvaging.



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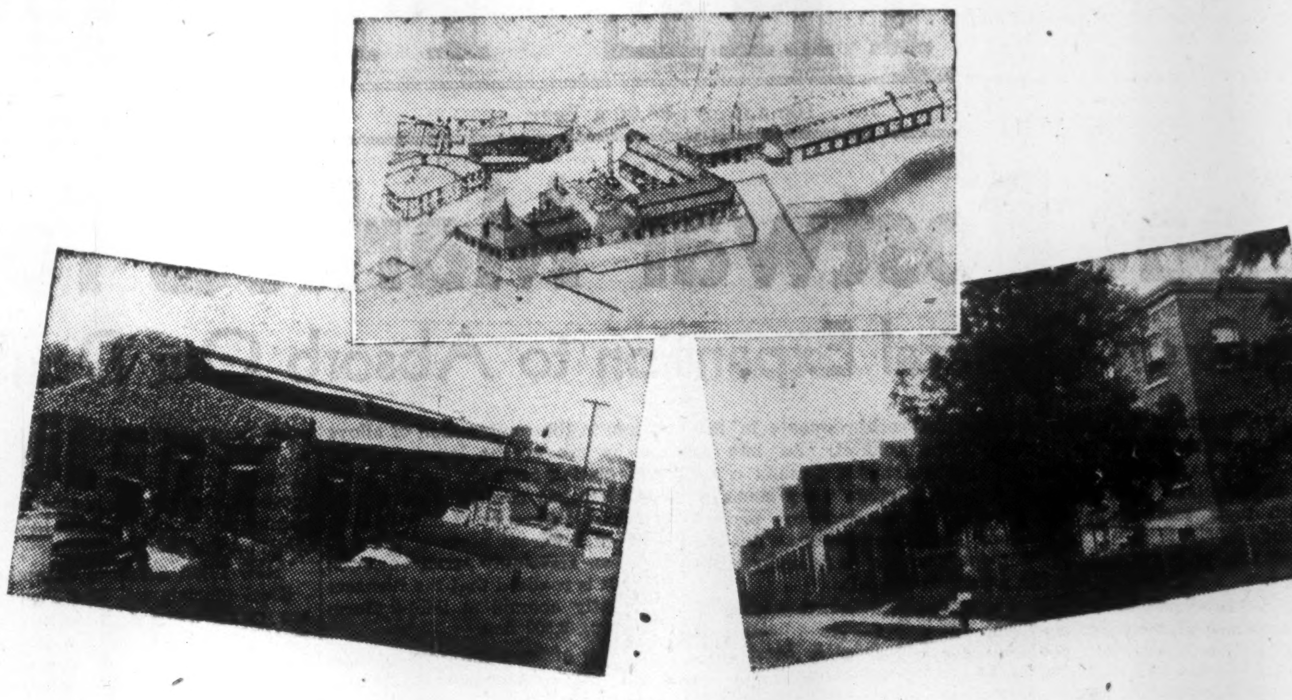

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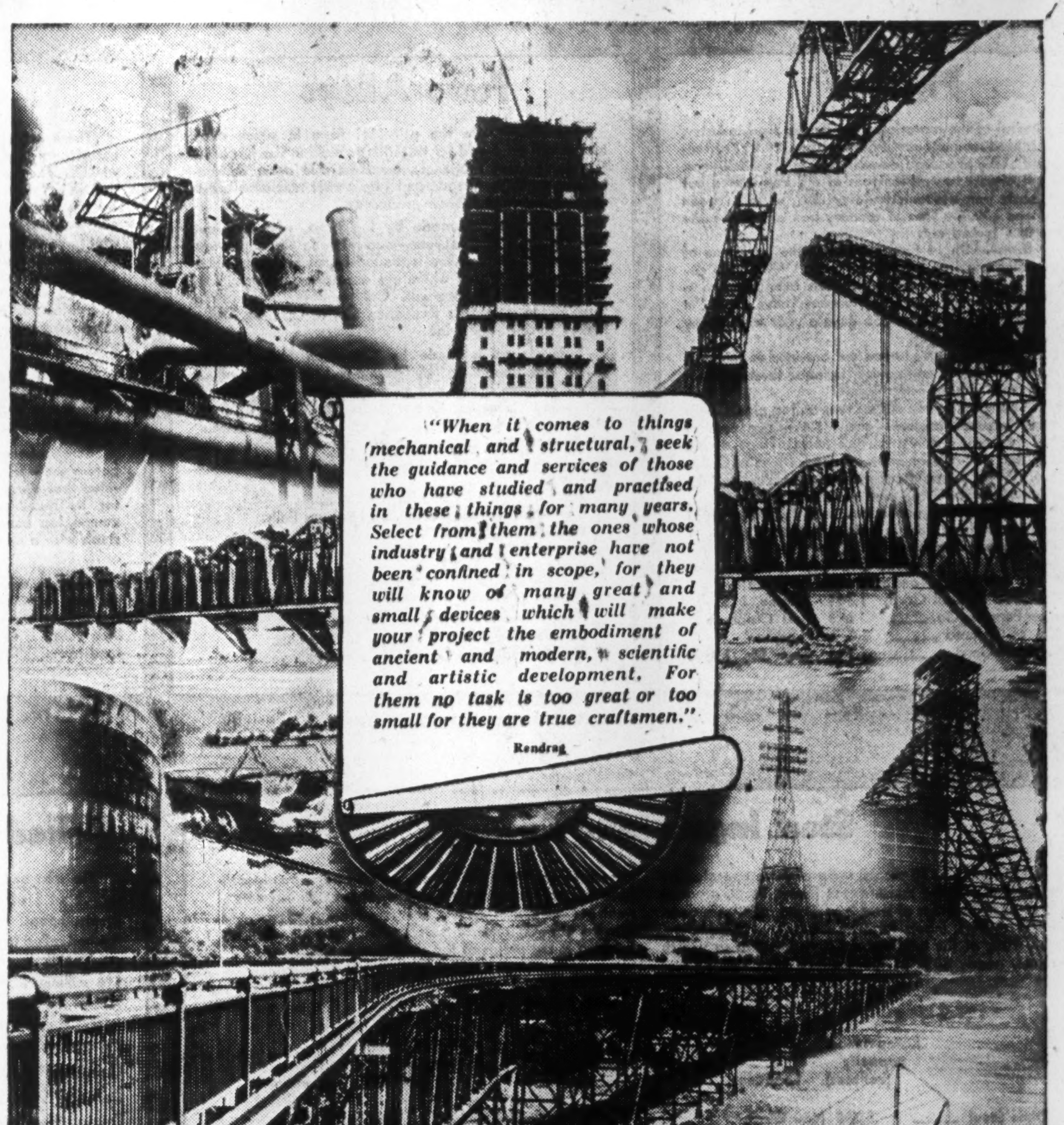

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Canadian Ore for Canadian Iron

Steep Rock and Other Properties Point Toward Self-sufficiency

Mid-August 1944 is expected to be "D" Day for the iron mining industry in Canada.

On that important date Canada's "glamor" mine at Steep Rock Lake goes into production, it being estimated that by the end of the year about 500,000 tons of iron ore will be produced, this to reach to between one to two million tons in 1945, a possible two millions in 1946, with the ultimate objective of five to six millions a year.

This will be a big moment in Canadian iron mining history for less than 25 years ago little really high grade iron ore was known to exist in Canada, though plenty of the low grade material had been found. In fact, with the exception of Algoma Steel Corp., the major steel companies of Canada since 1921 have imported all their iron ore requirements. Only in 1942 did Dominion Steel & Coal Corp. reopen an old iron mine at Bathurst, N.B. to meet emergency needs, but it has now been closed down.

Steel of Canada, for instance, has been getting its ore from the Mesabi mines in northern Michigan and Minnesota, the very richness of these deposits having tended to discourage iron ore mining in the past in the Dominion.

Discovery of and development of Steep Rock is all the more important since geologists have estimated that what was believed to be inexhaustible sources of iron ore in the U. S. are in shorter supply than was thought to be the case. In fact, it is reported that the U. S. may become a large importer of iron ore before another decade passes.

Steep Rock therefore will be assured of a large market in the United States, it is said, and, as it is located fairly close to water transport it need fear little from competition from Brazilian ore which would be expensive by reason of long water and rail hauls from sources of supply to markets, it is believed.

If discovery of Steep Rock has important meaning for the postwar iron and steel industry in Canada, the intensive search during the war for "strategic" metals—tin, molybdenum, tungsten, etc. used in the greatly expanded Canadian alloy steel industry—has also had interesting results. Though the search secured its reward and production is now tapering off owing to demand having been satisfied, the fact stands out: should sources of these metals elsewhere in the world ever be in short supply again, Canada's proven resources of these "strategics" will put her in a significant place as a supplier.

According to most recent reports on Steep Rock Lake development it is said likely to rank somewhere "between Noranda and International Nickel," that the iron riches about to be tapped are found in three main zones, drilling in the "A" zone indicating some 11 million tons of high grade iron ore, in "B" some 20 million tons, bulk of which will be extracted by open pit mining, and "C" in East Bay area likely to remain a reserve for the present.

Some $10 millions have been spent to make the output of Steep Rock available to U. S. buyers. It is indicated, however, that domestic requirements will be taken care of as well.

Canada's other major iron ore mine—the New Helen of Algoma Steel Corp.—was estimated when going into operation in 1939 to have an initial capacity of 450,000 tons annually which, when beneficiated, would give about 300,000 tons of 50% iron content ore. Half is used in Sault Ste. Marie, the rest sold.

414,602 Tons of Sinter

During 1943 Algoma Ore Properties Ltd., wholly owned subsidiary of Algoma Steel Corp., produced and shipped 414,602 tons of sinter compared with 487,865 tons in 1942, a decrease of 73,263 tons due to late opening of navigation. Production of sinter for current year is expected to be 450,000 tons.

An iron ore deposit—and a promising one—has been found on the Goulais River and some 50 million tons of magnetite concentrating ore have been outlined. There is estimated to be about 70 million tons of ore indicated, or about 70% of the tonnage outlined at the present producer of Helen. Iron content was recently reported to be running from 31% to 32%, and the deposit lends itself to cheap open pit mining.

Other present sources of iron ore to feed Canadian industry are: Wabana mines in Newfoundland which, with huge reserves of high-grade iron but containing impurities, are the chief source of Dominion Steel and Coal Corp. Since the war "Dosco" has turned to Brazil for ore to "sweeten" the Newfoundland product. Recently when "Dosco" was operating at capacity, it purchased some 75,000 tons of Brazil iron ore.

Several huge hematite iron deposits of good grade have been found by the Labrador Mining and Exploration Co. (controlled by Hollinger Consolidated) in Labrador. Proximity of waterpower development at the Hamilton Falls on Hamilton River gives it important status. Difficulties in getting it out, however, are presented as it would be necessary to build a railway to ship it to the St. Lawrence River, it is said.

At least 100 places in Ontario have been spotted as bearing iron ore occurrences of varying grade.

Nova Scotia has the greatest record of any other province for iron deposits, but they are not being worked.

Little iron has been found in the Prairie Provinces and little prospecting has been done there.

Large iron ore deposits are known to exist on the Belcher Islands in Hudson Bay, but they are relatively inaccessible.

Finally, Dominion Steel and Coal Corp. in 1942 reopened production at the iron ore deposits near Bathurst, N. B. which had been abandoned. At one time it was producing 1,000 tons of magnetite and hematite ore for Sydney, N.S. plant of Dosco. This has recently been closed down.

Moly Find A Good One

As regards the "strategics," announcement of the discovery in 1942 of a molybdenum deposit in Abitibi district, Quebec, a vital component to harden steel, not only assisted worried United Nations planners, but indicated Canada might enter the field hitherto served almost solely by the Climax Molybdenum Co., Colorado. For the latter in 1940 had produced 95% of the world's supply, but appeared unable to cope with accelerated demand.

Since then, however, Indian Molybdenum Co. which commenced operation in 1943 with a contract to supply the Dominion Government with two million pounds annually, closed down on May 1, 1944, sufficient molybdenum for current purposes being available and there being no reason to continue production as no ready market aside from war production was seen.

Until close-down of the mine Canadian output rose from 196,600 lb. in 1941 to 227,586 lb. in 1942 and 813,268 in 1943. Production was small, however, when compared with the 12-13 million lb. consumed in U. S. in 1939.

Tungsten, likewise one of the most important war metals, was obtained chiefly from China and Burma, both sources being cut off by war. Chief tungsten producing districts of the world follow the volcanic chain which skirts the Pacific Ocean, 88.4% of total world output of tungsten concentrates between 1905 and 1930 coming from countries bordering the Pacific Ocean.

Found Emerald Mine

With war industry in crying need of tungsten, the "machine tool" metal, intensive efforts were made by Canada to recover tungsten ore in all parts of Canada, a notable development being the Emerald mine, near Nelson, B.C. which became British Columbia's fourth tungsten mine, and rated the largest and best scheelite-tungsten mine on the American continent. But just when the mine reached substantial output, production was halted—supply was again adequate.

In addition to Emerald, hundreds of finds of tungsten were turned up in Canada, and other operations included the Red Rose mine of Consolidated Mining & Smelting Co., and Tungsten Queen.

Production in Canada rose from none in 1939 to 12,002 lb. in 1940, to 860,885 lb. in 1941, 884,830 lb. in 1942 and 938,143 lb. in 1943. Again, compared with world production, Canadian output has been small. World production of tungsten in 1936 amounted to 24,700 tons of concentrates containing 60% tungsten.

Chrome ore, which figures prominently in the production of ferro alloys and basic refractories and is vital to the production of gun steel, armor plate and stainless steel, during peacetime came from South Africa, the Philippines, New Caledonia, India and Turkey. Thus the bulk of Canada's requirements had to be imported.

War production was therefore affected by shortages of chromium, as Canada in 1939 was producing no chromite (chrome ore), though Chromium Mining & Smelting Corp. was processing imported chromite at its smelter at Sault Ste. Marie, Ont.

Since 1943 some relief to the shortage has been felt. Under direction of Department of Mines & Resources, Chromite Limited of Quebec has gone into production while the Chromeraine project, also in Quebec, has been developed by Wartime Metals Corp., a Government company.

Exploration on the Hudson Bay Mining & Smelting Co. property in the Bird River area of Manitoba and Ontario has been carried on extensively and shipments of chrome ore have been sent out, first such shipment for testing going to Ottawa in January, 1943.

A second test shipment was forwarded from the God's Lake-Gunnar Gold projects.

With the easing of world shipping, and the elimination for the most part of the U-boat menace, securing of high grade supplies from foreign sources is no longer difficult. Thus the emphasis on purely Canadian sources has been removed and investigation of deposits, such as those at Bird River, is no longer necessary.

Fire Chiefs Get Right To Enforce Regulations

Widening of authority for those entrusted with enforcing fire prevention measures has been one result of disastrous fires of recent years in public meeting places, such as the Coconut Grove tragedy of 1941, the burning of the Knights of Columbus dance hall at St. John's, Nfld., and the May 24 conflagration at Hamilton, W. J. Scott, K.C., Ontario Fire Marshal, told the Dominion Association of Fire Chiefs at their recent meeting in Quebec City.

As an instance of this trend toward more efficient enforcement, Mr. Scott said that in Ontario, as from March 1, 1944, fire chiefs had authority to enforce regulations governing theatres and public halls, a right previously held only by municipal police officers.

For over 20 years previously, he said, Ontario fire chiefs possessed wide powers in dealing with hazards in public halls, under provisions of the Fire Marshals' Act, which imposed heavy penalties for non-compliance with orders to provide adequate exit facilities.

Previous provincial regulations governing public halls were designed to facilitate collection of amusement tax, and did not provide for any proper inspection service, said Mr. Scott. Now, Ontario regulations have been altered, with regulations, supervision and licensing left to the municipalities to handle. They have authority to pass by-laws in this regard, under Ontario laws which have been on the statute books since 1849.

Model By-law Prepared

To aid the municipalities in their drive to prevent fires in public places, added Mr. Scott, Attorney General Blackwell requested the Fire Marshal's office to draw up a model public by-law. This is now in the printer's hands and will be sent to all fire chiefs and municipal clerks in the province shortly.

Further, said the Fire Marshal, a provincial commission is at present studying the "whole problem of public safety in places of public assembly." Chairman of the commission is Judge Ian M. Macdonell. "It is expected," said Mr. Scott, "that his report will lead to important progress in safety of places of public assembly in this province."

The Dominion Association of Fire Chiefs, stated Mr. Scott, would be invited to make submissions to this commission.

Meant More Co-operation

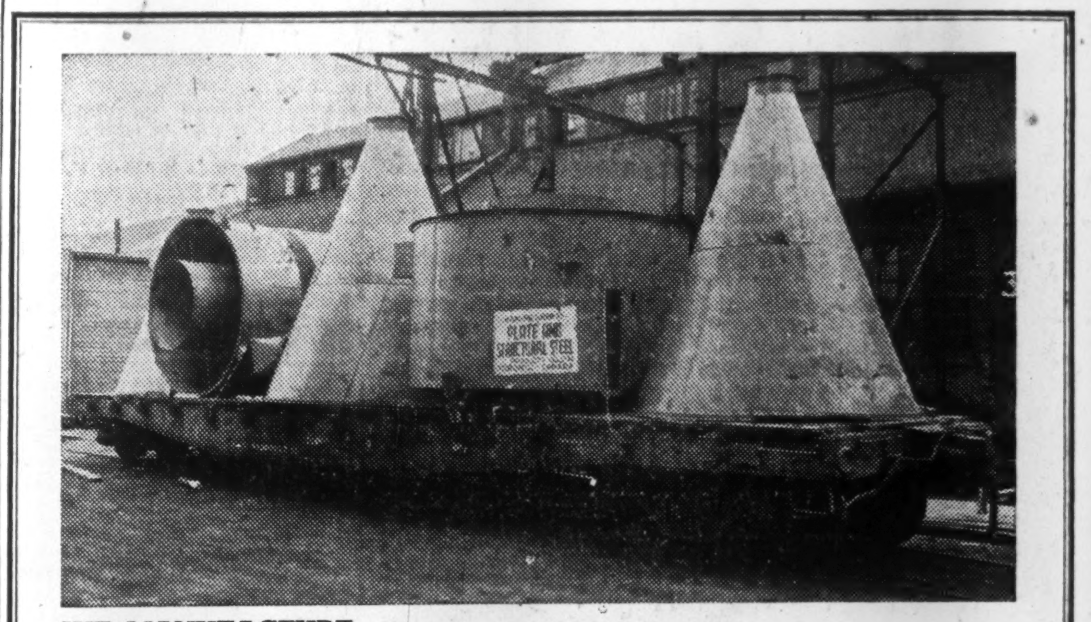
Disasters such as he mentioned at the start of his address, said Mr. Scott, served to make plain the responsibility of fire chiefs, and also made it easier for them to secure co-operation of the public and municipal councils in carrying out their fire protection duties.

Recounting precautionary steps taken after the Coconut Grove outbreak, Mr. Scott said the Ontario Fire Marshal's office had sent out instructions to all fire chiefs in the province asking them to investigate all places of public assembly in their communities.

"Surprising states of affairs" were discovered in many centres, including Toronto, declared Mr. Scott. Within 10 days of receiving this circular, he said, "the fire chief in Peterborough issued orders under the Fire Marshal's Act against seven public halls in his community." Comparable conditions were uncovered in many other municipalities.

Necessity of properly supervising places of public assembly had been stressed in quarterly bulletins from the Fire Marshal's office, in special circulars and in all contacts with municipal brigades, said Mr. Scott. A valuable educational item had been a special booklet on fire escapes and exit facilities, obtained from the Illinois Fire Marshal in April of this year. It had been distributed to all fire chiefs in the province.

Since the Moose Hall fire at Hamilton, stated Mr. Scott, on the instructions of Attorney General Blackwell, the Fire Marshal's office had prepared and distributed to all fire chiefs and municipal clerks in Ontario a pamphlet entitled, "Fire Safety Rules for Places of Public Assembly." Copies would be furnished to other fire chiefs in Canada who requested them, said Mr. Scott.



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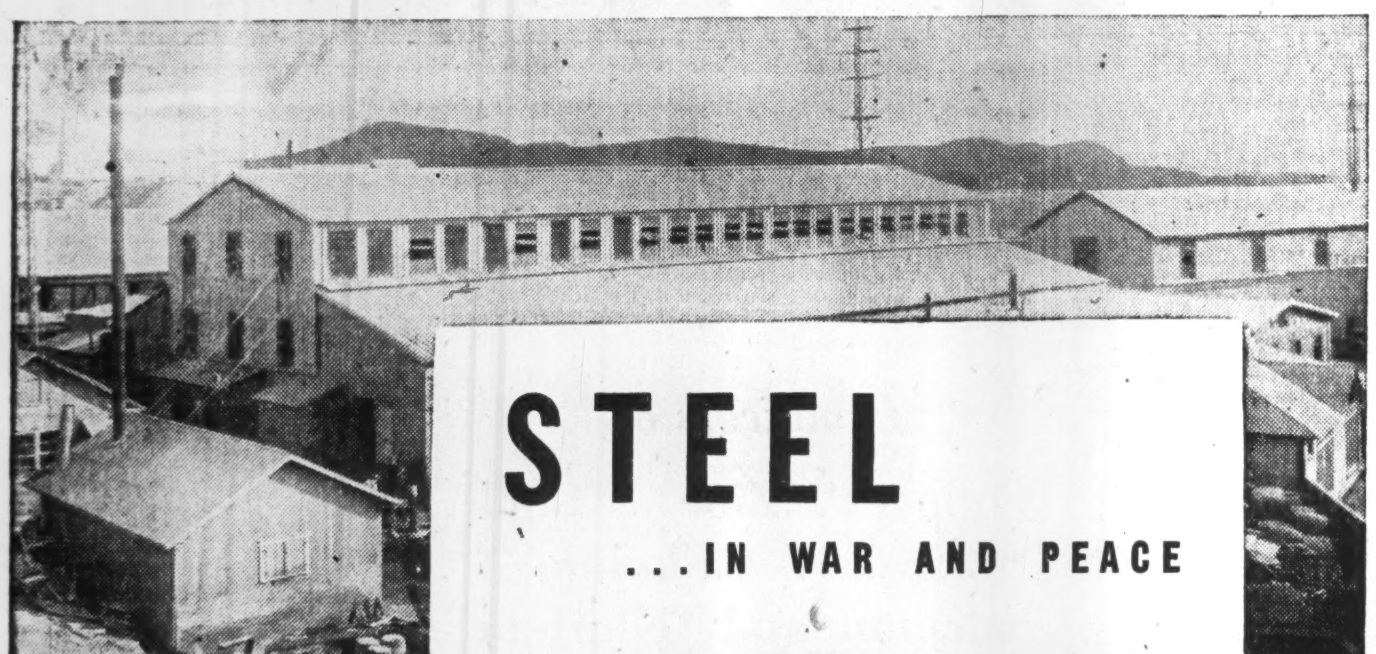

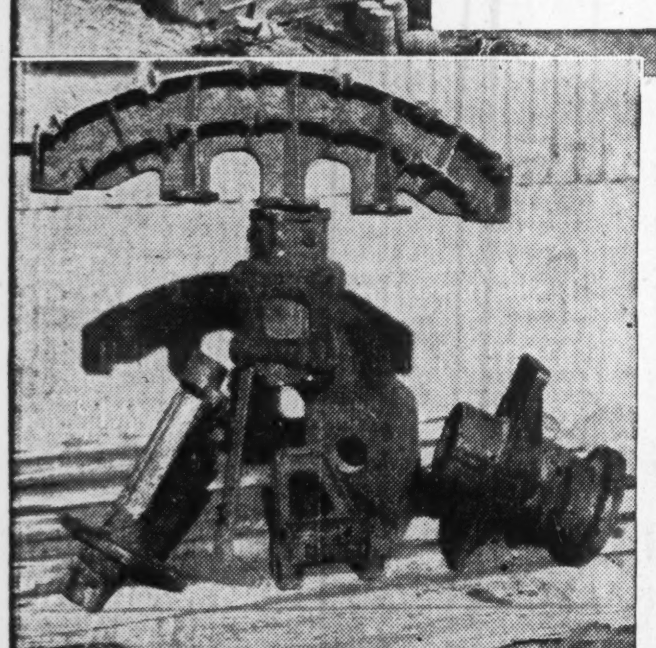

Illustrated above — Coupling and automatic brake fittings for 25-pounder Gun Trailers. The three centre pieces are 5.5 Gun Mount Castings and the two side pieces are for the 25-pounder. This is only a part of Lynn, MacLeod's wartime production.

Our industry has not rested content by augmenting its production in quantity only. It has undertaken, far more than in the past, the making of steel alloys—which requires an advanced technical development—such as is required in the production of tanks, aeroplanes, cargo boats, destroyers, trailers and tools. These are acquisitions the profits of which will not be limited to wartime. Canada will still benefit from them when peace is restored, for the production of great quantities of articles demanded by the people or destined for export. To this is to be added the skills of its manpower, which will have a great effect on the economic future of our country.

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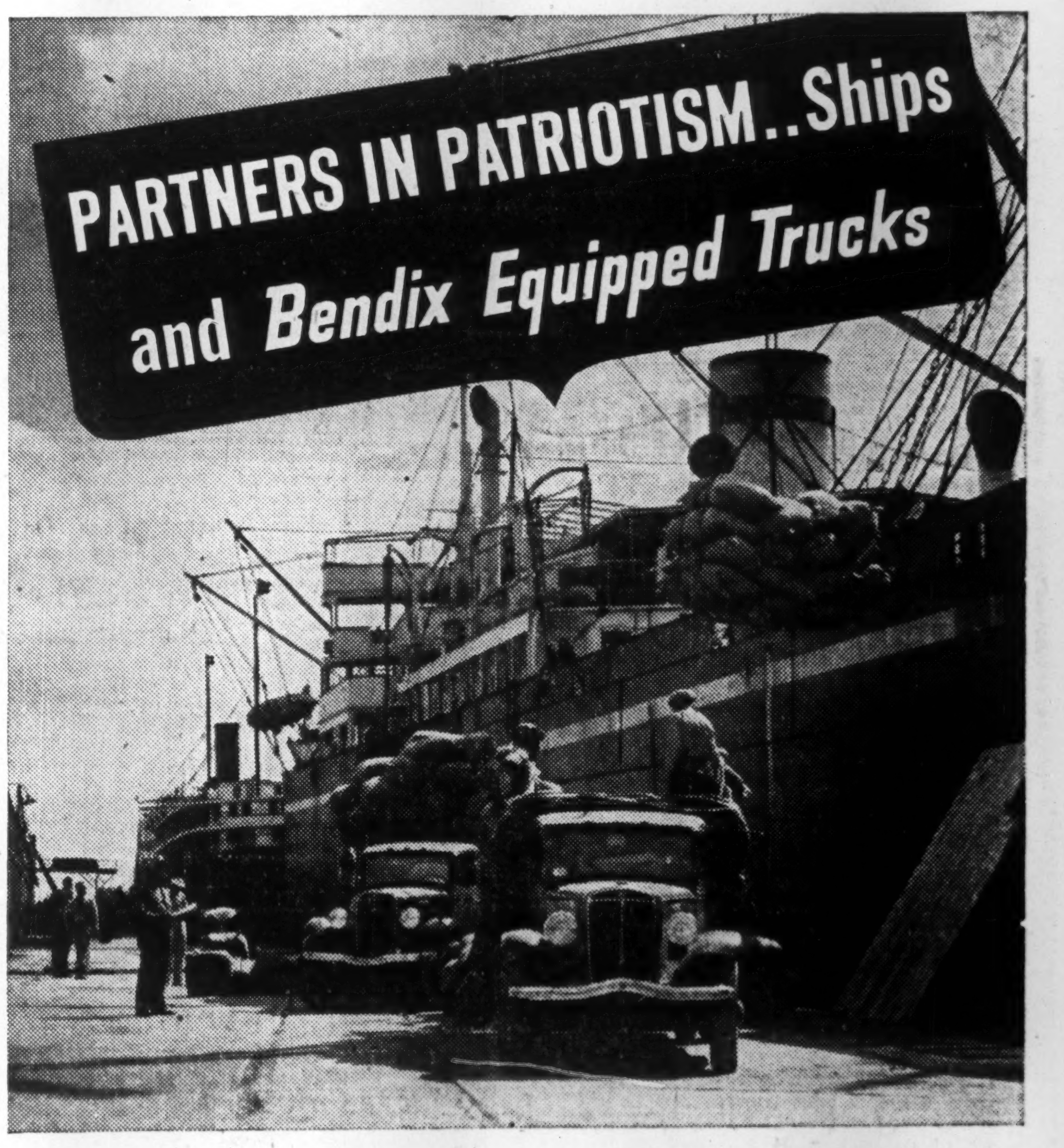

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You Can Now Import These Items

Absinthe to Zippers Listed But Shortages, Controls Still Curb

In response to enquiries reflecting wide interest in just what commodities become eligible Aug. 1, for importation into Canada by removal from the "prohibited" list as a result of budget action, The Financial Post publishes herewith a preliminary catalogue.

The list, compiled by The Post from official Ottawa sources and documents, runs into hundreds of items from absinthe to zipper fasteners and including clay products, hardwood lumber, motor launches, growing plants, macaroni, jewellery, radios and other household electrical equipment.

Although the range of goods now to be importable from the U. S., etc., is wider than that of any mail order catalogue, importers tell The Post; they don't see much actual goods available this year. Most of the items here listed—notably motor vehicles, electrical equipment, boats, etc.—are still not available anywhere for civilian purchase. And many of the items are still going to be subject to import control under the War Measures Act, even though freed of the ban imposed Dec., 1940, under the War Exchange Conservation Act. Mr. Ilsley is expected to issue at once a consolidated and extended list of these controlled commodities.

There is one other point to note—Canada's price ceiling regulations of 1941. Donald Gordon has indicated that all imports affected by the ending of the exchange embargo must first be priced by WPTB administrators. Higher prices in the U. S. may prevent importation into Canada except through payment of subsidy by the Commodity Prices Stabilization Corp., but subsidies are not expected to apply to the great majority of items in this list.

The approximate list of goods to be freed Aug. 1 from the foreign exchange import ban follows:

A

Absinthe, n.o.p.
Air-conditioning units and apparatus designed for household use.
Alabaster ornaments.
Alcoholic beverages or bitters similar to angostura.
  liquors, n.o.p.
  perfumes and other toilet preparations.
  wines, n.o.p., contg. more than 40 p.c. proof spirits, etc.
Ale.
Aluminum foil.
  laminated or combined with paper or cardboard.
Amber ornaments.
Amusement devices, coin, disc, or token operated.
Andirons and other furniture for fire places.
Angostura and similar alcoholic bitters or beverages.
Apricots, in air-tight tins or other air-tight containers.
Arrack, n.o.p.
Artificial feathers, fruits, grains, leaves and flowers suitable for ornamenting hats.
Ash trays and receivers.
Astrakhan hare skins, wholly or partially dressed but not dyed.
Atomizers (sterling silver).
Automobile rugs.
Automobiles, passenger, of all kinds and n.o.p.
Awnings.
Azaleas.

B

Badges of all kinds, n.o.p.
Bagatelle tables.
Bags, carpet, n.o.p.
  tool, n.o.p.
Bait, sportsmen's, n.o.p. (not to include parts for the mfr. or repair of.)
Balls, bagatelle and billiard, or for other game tables or boards.
  of all kinds, for use in sports, games or athletics, n.o.p.
  for game tables or boards.
Bars (refreshment).
Baseball bats.
Bases or holders for blotters, pens or pencils.
Basins, iron or steel, coated or not.
Bath mats.
Bathtubs, iron or steel, coated or not.
Bay rum.
Bead ornaments.
Beans, baked or otherwise prepared, in air-tight cans or other air-tight containers.
Bed coverings.
Bedspreads.
Beer.
Belts of all kinds, n.o.p.
Berets.
Beverage cabinets.
  dispensing and mixing equipment.
Beverages in mfr. of which malt, rice or corn is used, contg. not more than two and one-half p.c. proof spirit.
Bicycles, n.o.p.
Billiard cues, cue-racks, cue-tips, balls and tables.
Bird cages of wire and metal parts thereof.
Biscuits, sweetened, unsweetened.
Bitters, angostura, and similar, alcoholic.
Blades, razor, iron or steel.
Blocks, earthenware, for mosaic flooring.
  inverted, earthenware.
Blotters, bases or holders for.
Boats, pleasure, of all kinds, including sail boats, skiffs, canoes and launches.
Bonnets, n.o.p.
Books, fly, and parts thereof.
Borders, bordering or paper.
Boxes, bowls, baskets, bottles, cases, dishes, trays, etc., adapted for personal, household or office use, or for the packaging of goods for retail sale, of which the component of chief value is copper, brass, bronze or electro-plated metal, not including industrial containers unsuitable for retail sale.
  fancy, of all kinds.
  hat, n.o.p.
  jewel (sterling silver).
Braids, n.o.p., whether contg. tinsel or not, n.o.p.
Brandy, including artificial brandy and imitations of brandy, n.o.p.
Breads, sweetened.
Brushes of all kinds (incl. sterling silver).
Budding, rose stock and other stock for, n.o.p
Buffers (sterling silver).
Bulbs (florist stock).
Buses, trolley, electric trackless.
Butter produced from the cocoa bean.
Button hooks (sterling silver).

C

Cabinets, ice cream or beverage.
  for radio receiving sets.
Cages, wire bird, squirrel and rat, and metal parts thereof.
Cakes, sweetened.
Cameras (photographic instruments).
Candy, sugar, n.o.p.
Cannas.
Canoes.
Canopies (textile).
Capes, fur.
Caps, fur.
Caps, n.o.p.
Carboys, glass.
Card games.
Cards, Christmas enclosure, paper, printed, embossed or otherwise decorated.
  greeting, and similar articles.
  playing, and cards for mfr. of.
  place, paper or cardboard.
  post, pictorial.
Carnation cuttings, rooted, in their first year of introduction.
  stock, seedling.
Caskets and metal parts thereof.
Cereal foods, prepared, in packages not exceeding 25 pounds weight each.
  prepared, n.o.p.
Champagne and all other sparkling wines.
Chassis for automobiles and motor vehicles of all kinds.
  for radio receiving sets.
Chenille, n.o.p. whether containing tinsel or not.
Cherries, and other fruits of creme de menthe, maraschino or other flavor.
Chimney linings of earthenware.
  tops and inverted blocks of earthware.
  vents, of earthenware.
Chimneys, lamp, glass, n.o.p.
Chinaware, vitrified and non-vitrified.
Chocolate liquor, not sweetened, in blocks or cakes.
  liquor, sweetened, in blocks or cakes, not less than two pounds in weight.
  paste, not sweetened, in blocks or cakes.
  paste, sweetened, in blocks or cakes, not less than two pounds in weight.
  preparations of, in powder form.
  preparations of, n.o.p.
Christmas seals printed, embossed or otherwise decorated.
  tree decorations of all kinds including lights and fittings thereof.
Cigar and cigarette cases holders and cases therefor.
Cigars and cigarettes.
Clams in sealed containers.
Cloaks, fur.
Closets, iron or steel, coataed or not.
Cloths, table, tray or wash, and similar articles.
Coats, fur.
Coffins, and metal parts thereof.
Cologne water.
Combs (sterling silver).
  dressing n.o.p.
  fancy, not being jewellery.
  toilet, n.o.p.
Comforters.
Composition ornaments.
Confectionery, coated with or contg. chocolate.
  sugar, n.o.p.
Confections, all other, containing sugar.
Confetti, paper.
Construction sets, juvenile, of metal or rubber and parts thereof.
Cooking apparatus (not including parts).
Cordials, n.o.p.
Cords, whether contg. tinsel or not, n.o.p.
Cork and cork products.
Corms (florist stock).
Corn, prepared, in air-tight cans or air-tight containers.
Costumes, paper.
Counterpanes.
Coverings, removable, for automobile and furniture upholstery.
Covers, cushion, and similar articles.
  seat.
  table and tray, paper.
Crabs, in sealed containers.
Cues, cue-racks and cue-tips.
Cups, paper.
Currant wine, contg. 40 per cent or less proof spirit.
Curtains.
Cushion covers.
Cushions, including pin cushions.
Custard powders.
Cuticle knives (sterling silver).
Cutlery, iron or steel, plated or not.
Cuttings, commonly known as florist or nursery stock, n.o.p.
Cycles, motor, or side cars therefor.

D

Dahlias.
Decorative panels, and similar articles.
Deals, hardwood, sawn, planed or dressed on one or both sides, etc.
Decanters, glass, n.o.p.
Demijohns, glass, n.o.p.
Desk sets.
Diamond dust or bort for borers.
Diamonds, black, for borers.
  industrial, n.o.p.
  unset, n.o.p.
Dish washers, electric, designed for household use.
Dishes, adapted for personal, household or office use or for the packaging of goods for retail sale, of which the component of chief value is copper, brass, bronze or electro-plated metal, not including industrial containers unsuitable for retail sale.
Dishes, paper.
Distillate, engine, petroleum, .8017 specific gravity (45.0 A.P.I.) or heavier, at 60 degrees Fahrenheit.
Doilies and similar articles, textile.
Doilies, paper.
Dolls.
Door knockers.
Dormant roots (florist or nursery stock).
Drain pipes and earthenware fittings for.
Drapes.
Dresser scarves.
Drinking straws made of paper or vegetable fibros.
Dry shaving machines, electric.

E

Earthenware.
  blocks for mosaic flooring.
  chimney linings, vents and tops.
  drain pipes and sewer pipes and fittings for.
  inverted blocks.
  sewer pipes and drain pipes and fittings for.
  tiles for mosaic flooring.
  tiles, n.o.p.
Elder wine, contg. 40 p.c. or less of proof spirit.
Electric dish washers designed for household use.
  dry shaving machines.
  ironers designed for household use.
  light fixtures and appliances n.o.p. (not to include such fixtures and appliances specially designed for industrial purposes).
  mixers, designed for household use.
  refrigerators.
  trackless trolley buses.
  vacuum cleaners and attachments domestic or household type.
  washing machines, domestic, with or without motive power incorporated therein
Enclosure cards, Christmas, paper, printed, embossed or otherwise decorated.
Envelopes, paper.

F

Fabrics.
  wholly or in chief part by weight of silk in the gum, not degummed or bleached, not less than 20 inches in width, weighing not more than seven pounds per each 100 yards, for purposes of being degummed, dyed, and finished in Canada.
  wholly or in part of silk, not to contain wool, not including fabrics in chief part by weight of artificial silk, n.o.p.
  wholly of silk, 26 inches or less in width, n.o.p.
Facial tissue paper, not including such material in jumbo rolls.
Fancy boxes and fancy cases or all kinds.
Fans of all kinds.
Fasteners, slide, hookless or zipper.
Feathers, artificial, suitable for ornamenting hats.
  and manufactures of, n.o.p.
Ferns.
Filaments, silk.
Files, nail, of which the mfd. component material of chief value is sterling silver.
Fire crackers.
Fireplaces, andirons, screens, tongs and other furnishings for.
Fireworks.
Fish, oysters, prepared or preserved, n.o.p.
  oysters, shelled, in bulk.
  oysters, shelled, in cans.
  paste, n.o.p.
  prepared or preserved, n.o.p.
  prepared in oil, n.o.p.
  salmon, prepared or preserved, n.o.p.
Fishing reels, sportsmen's, n.o.p. (but not to include parts for the mfr. or repair of).
  rods.
  tackle, n.o.p. (but not to include parts for the mfr. or repair of).
Flavoring powders
Florist stock.
Flower odors.
Flowers, artificial, suitable for ornamenting hats.
  natural
Fly hooks, n.o.p. (but not to include parts for the mfr. or repair of).
Folders, artistic greeting.
Foliage, holly.
  laurel.
  natural cut, n.o.p.
Foods, cereal, prepared, in packages not exceeding 25 pounds weight each.
  cereal, prepared, n.o.p.
Forks, paper, or of other vegetable fibre.
Fountains, soda.
Frames, mirror.
  photograph.
  picture.
  racquet.
Fringes, n o.p. whether contg. tinsel or not.
Fruit juices, containing not more than 25 per cent proof spirit.
  containing more than 25 per cent proof spirit.
  n.o.p. (but not including orange juice, lemon juice or grapefruit juice).
  pulp.
  syrups, n.o.p.
Fruits, apricots in air-tight tins or other air-tight containers.
  artificial, suitable for ornamenting hats.
  bananas, from countries outside the sterling area.
  candied.
  cherries, or other maraschino flavors.
  cherries, sulphured or in brine, not bottled.
  crushed.
  crystallized.
  drained.
  frozen.
  glace.
  nectarines, dried, desiccated, evaporated or dehydrated.
  of creme de menthe, maraschino or other flavor.
  olives, sulphured or in brine, not bottled.
  peaches, in air-tight tins or other air-tight containers.
  peaches, dried, desiccated, evaporated or dehydrated.
  pears, in air-tight tins or other air-tight containers.
  pears, dried, desiccated, evaporated or dehydrated.
  prepared, in air-tight tins or other air-tight containers.
  preserved in brandy or other spirits.
  n.o.p., in air-tight tins or other air-tight containers.
Fur capes, tippets, caps, cloaks, coats, hats, muffs, manufactures of, n.o.p.
  skins of all kinds, not dressed in any manner
  skins, wholly or partially dressed, n.o.p.
  tails, in the raw state.
  tippets.

G

Game boards.
  tables.
Games, card and other.
Gimp, n.o.p., whether contg. tinsel or not.
Gin of all kinds, n.o.p.

(Continued on page 17)

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Prospecting and Development
The Company solicits the submission of Properties for Examination and Development
Field Office : FLIN FLON, Manitoba

Hudson Bay Mining *and* Smelting Co., Limited
Producers of
Copper . Zinc . Gold
Silver . Cadmium
Selenium and Tellurium
Mine and Metallurgical Plants
FLIN FLON
MANITOBA
Hydro Electric Plants
ISLAND FALLS
SASKATCHEWAN
Hudson Bay Mining *and* Smelting Co., Limited
Incorporated Under The Dominion Companies Act, December 27, 1927.

MODERNIZE
FOR LOWER STEAM COSTS
WITH BABCOCK "G" TYPE BOILERS
FITTED WITH CHAIN-GRATE STOKERS
No basement necessary, the ashes are conveniently removed at firing floor level. Suspended monolithic arches, forming part of the furnace circulatory system, are an outstanding feature on this type of boiler.
BABCOCK-WILCOX & GOLDIE-McCULLOCH LIMITED
GALT ONTARIO
BRANCH OFFICES
TORONTO MONTREAL WINNIPEG VANCOUVER

Serving Canada since before Confederation

1866 1944

BRITISH AMERICAN BANK NOTE COMPANY LIMITED

The Old Canadian Company

HEAD OFFICE • OTTAWA
262 Wellington Street

511 Place d'Armes MONTREAL • 1110 Montreal Trust Bldg. TORONTO

HOWARD W. PILLOW
President

CHARLES G. COWAN
Vice-Pres. & Man. Dir.

G. HAROLD BURLAND
Sec.-Treas.

Buy War Savings Certificates and War Savings Stamps

Formerly Banned Lines Can Now Be Imported

(Continued from page 16)

Ginger, preserved.
Gladiolus.
Glass, articles of, not plate or sheet, designed to be cut.
balls, n.o.p.
bottles, n.o.p.
carboys, n.o.p.
decanters, n.o.p.
demijohns, n.o.p.
flasks, n.o.p.
jars, n.o.p.
lamp chimneys, n.o.p.
phials, n.o.p.
silvered.
tableware, n.o.p.
tumblers, machine-made, n.o.p.
Glassware, cut, n.o.p.
illuminating, n.o.p.
opal, n.o.p.
Gloves of all kinds.
Goat plates, China, wholly or partially dressed but not dyed.
rugs, China, wholly or partially dressed but not dyed.
skins, China, wholly or partially dressed but not dyed.
Gold, manufactures of, n.o.p.
Golf clubs.
Grafting, rose stock or other stock for, n.o.p.
Grains, artificial, suitable for ornamenting hats.
Gramophones, n.o.p. (but not including cylinders or records therefor).
Grapefruit rinds.
Graphophones, (but not including cylinders or records therefor).
Greeting cards.
Gums, sweetened.

H

Hair oils, non-alcoholic.
Hair receivers (sterling silver).
washes, alcoholic.
Hand mirrors (sterling silver).
Handkerchiefs, paper.
of all kinds, textile.
Hardwood flooring, tongue and/ or/ grooved, or jointed.
Hare skins, Astrakhan or Russian, wholly or partially dressed but not dyed.
Hash, and all similar products composed of vegetables and meat or fish or both, n.o.p.
Hassocks.
Hats, fur.
of fur-felt or of wool and fur-felt.
of wool felt.
paper.
n.o.p. (not to include distinctive head coverings for public services).
Headbands, paper.
Heating apparatus for buildings (but not including parts).
Holders for blotters, pens or pencils.
cigar and cigarette, and cases therefor.
shade.
Holly foliage.
Honey and imitations thereof.
Hookless fasteners.
Hooks, fly, n.o.p. (but not to include parts for the mfr. or repair of).
sportsmen's fishing, n.o.p. (but not to include parts for the mfr. or repair of).
Horns, paper.
Hosiery, composed wholly or in part of silk, from all countries.

I

Ice cream cabinets.
Illuminating glassware, n.o.p.
Inverted blocks, earthenware.
Ironers, electric, designed for household use.

J

Jack knives of all kinds (not to include jack knives measuring 3½ inches in length and over when closed).
Jardinieres.
Jellies.
Jelly powders.
Jewel boxes (sterling silver).
Jewellery of all material for the adornment of the person, n.o.p.
Juice, lime, contg. not more than 25 per cent proof spirit.
lime contg. more than 25 per cent proof spirit.
raw and concentrated, not refined.
n.o.p.
Juices, fruit, n.o.p. (not to include orange juice, lemon juice or grapefruit juice).
containing not more than 25 per cent proof spirit.
containing more than 25 per cent proof spirit.

K

Knives, jack, pen or pencil of all kinds (not to include jackknives and pocketknives measuring 3½ inches in length and over, when closed).
paper.

L

Lace, whether containing tinsel or not.
papers.
textile manufactures composed wholly or in part of.
Lamp shades, n.o.p.
Laths, hardwood.
Launches.
Laundry tubs, iron or steel, coated or not.
Laurel foliage.
Lavatories, iron or steel, coated or not.
Lavender water.
Lawn mowers.
Lead pencils.
Leather garments.
Leather, patent, japanned or enamelled.
upholstery, finished.
Leathers, morocco, genuine.
pig, genuine.
roller, so-called.
Leaves, artificial, suitable for ornamenting hats.
Lemon wine, contg. 40 per cent or less of proof spirit.
Letters, others than paper.
Light fixtures, electric, and appliances, n.o.p. (but not to include such fixtures and appliances specially designed for industrial purposes).
Lighters, cigar and cigarette (but not to include lighters provided for in tariff item 438c).
Lights for Christmas trees.
Lilacs, pot-grown.
Lime juice, contg. not more than 25 per cent proof spirit.
raw and concentrated, not refined.
n.o.p.
Limes.
Linings, chimney, of earthenware.
Liqueurs of all kinds, n.o.p.
Liquor, alcoholic, n.o.p.
chocolate, sweetened or unsweetened, in blocks or cakes.
cocoa, sweetened or unsweetened, in blocks or cakes.
spirituous, n.o.p.
Locks or lockers, coin, disc or token operated.
Lotions, alcoholic.
Lubricating greases, n.o.p.
Lumber, hardwood, not further mfd. than sawn or split, whether creosoted, vulcanized or treated by any other preservative process or not.
sawn split or cut, and dressed on one side only, but not further mfd.
not further mfd. than planed, dressed, jointed, tongued or grooved, n.o.p.

M

Macaroni, contg. no egg or other added ingredients.
Machinery.
dry shaving, electric.
vending.
washing, electric, domestic, with or without motive power incorporated therein.
Manicure scissors, (sterling silver).
Maraschino and other flavors of fruits.
Mechanical toys of metal.
Mescal.
Meters, parking.
Mineral soap.
Mirror frames.
Mirrors, hand (sterling silver).
Mixers, electric, designed for household use.
Mitts of all kinds.
Mosaic flooring, tiles or blocks of earthenware or stone for.
Motorcycles and side cars therefor.
Motor vehicles of all kinds, n.o.p., and chassis.
Motors, outboard.
Moldings, wood.
Mounts, pipe.
Mowers, lawn.
Muffs, fur.
Mushrooms, fresh, dried or otherwise preserved.
Musical instruments, n.o.p.
Mustards, liquid.

N

Nail files (sterling silver).
Napkins, paper.
textile.
Numerals other than paper.
Nuts, candied.

O

Odors, French or flower.
Office furniture.
Oil, hair, non-alcoholic.
Opal glassware, n.o.p.
Orange wine, contg. 40 per cent or less of proof spirits.
Organs.
Ornaments, alabaster, amber, bead, spar, terra cotto or composition, or other material.
Oysters, prepared or preserved, n.o.p.
in the shell.
shelled, in bulk.
shelled, in cans.

P

Palm spirit, n.o.p.
Palms.
Panels, decorative, and similar articles.
Paintings in oil or water colors, valued at not less than $20 each (not to include paintings in water colors to be used exclusively for printing or lithographing reproduction purposes).
Paper borders or bordering.
caps.
card games.
Christmas enclosure cards, printed, embossed or otherwise decorated.
Christmas seals, printed, embossed or otherwise decorated.
confetti.
costumes.
cups.
dishes.
doilies.
drinking straws.
envelopes.
facial tissue not including such paper in jumbo rolls.
festivity, carnival and celebration supplies and decorations, including costumes, hats, caps, headbands, masks, horns, serpentines and confetti.
forks.
handkerchiefs.
hats.
headbands.
horns.
knives.
masks.
napkins.
place cards.
plates.
score reckoners and score pads.
spoons.
stickers, Christmas, printed, embossed or otherwise decorated.
table covers.
tags, Christmas, printed, embossed or otherwise decorated.
tallies.
tissue, crepe, and manufactures thereof.
tissue, facial, not including such paper in jumbo rolls.
toilet.
towels.
tray covers.
weights.
wrapping, including box covering paper and wrappers, printed, embossed or otherwise decorated.
wall.
Papers, correspondence and letterhead, not including plain unprinted typewriting or copying papers.
lace.
shelf, fancy.
Parasols.
Paste, non-alcoholic, n.o.p., for the hair, mouth or skin.
Pastels, valued at not less than twenty dollars each (not to include pastels to be used exclusively for printing or lithographic reproduction purposes).
Pears, in air-tight tins or other air-tight containers.
Pearls and imitations thereof, not set or, mounted.
and all imitations or simulations thereof.
Pears, in air-tight tins or other air-tight containers.
Peas, prepared, in air-tight tins or other air-tight containers.
Peels, crystallized, glace, candied or drained.
Pen knives of all kinds.
Pencils, bases or holders for.
lead.
Penholders.
Pens, bases or holders for.
Perfume bottles (sterling silver).
Perfumed preparations, non-alcoholic, n.o.p., used for the hair, mouth or skin.
Perfumery, non-alcoholic.
Perfumes, alcoholic.
Periodical publications.
Permanent wave pads, machineless, which contain any foil or aluminum or aluminum alloy.
Phonographs, n.o.p. (but not including cylinders or records for).
Photograph frames.
Pianofortes.
Pickets, hardwood.
Picture frames.
Pies (sweetened).
Pig leathers, genuine.
Pillow cases.
Pillows.
Pin cushions.
Pin-ball games.
Pineapples, in air-tight tins or other air-tight containers.
Pipe mounts.
Pipes, drain, and earthenware fittings for.
sewer, and earthenware fittings for.
Tobacco (not including pipes having a value for duty purposes not exceeding 50 cents each).
Place cards, paper or cardboard.
Planks, hardwood, not further mfd. than sawn or split.
hardwood, sawn, split or cut, and dressed on one side only, but not further manufactured.
hardwood, sawn, planed or dressed on one or both sides, with edges jointed, tongued and grooved.
Plants, pot-grown, n.o.p.
rubber.
commonly known as florist or nursery stock, n.o.p.
Playing cards, n.o.p., and cards and sheets for mfr, of.
Pleasure boats of all kinds.
Plywood.
Poeonias.
Pomades.
Pomatums, non-alcoholic(n.o.p. for the hair, mouth or skin.
Pop-corn, candied.
Porcelain tableware.
Porter.
Postcards, pictorial.
Pouches, tobacco.
Powdered soap.
Powders, custard.
flavoring.
for the hair, mouth or skin.
soap.
tooth and other.
Precious stones and imitations thereof, not mounted or set.
stones and semi-precious stones, including pearls, and all imitations or simulations thereof; articles composed wholly or in part of precious or semi-precious stones and imitations or simulations thereof.
Publications (periodical) wirebound or paper bound, i.e., comics, detective, sex, western, "true" or "confession" stories, and the materials for (printing plates of all kinds, copper or other shells, matrices, positive or negative films, transfers, proofs, illustrations, covers, inserts or other printed matter for use in connection with production).
Puddings, sweetened.
Puff jars (sterling silver).
Pulp, fruit.
Pulque.

(Continued on page 18)

Fenestra SUGGESTS ...

War Correspondents say that even the boys in the thick of the fighting wonder at times about postwar—whether there'll be jobs ready for them when the fighting stops.

What good news it would be for them, if, in your next Airgraph letter you could report that you are doing something about postwar employment yourself.

What can you do? Plan. Map out the future of your home and the school, hospital or business in which you may be interested. If that future calls for a new building, use your influence to get the planning done *now*, with all the construction, financial and legal matters ironed out—so construction can start immediately when the boys come home—so they won't have to wait around for jobs.

And don't forget the advantages to you in planning now. If plans are finished to the last detail, you'll get first call on materials and skilled labor. You'll get your new building long before folks who put off planning until the last minute.

Talk about planning now—in your home—in your business—with community officials. Fortunately, many architects have completed their design work for war materials and buildings. They're ready to work with you—ready to help you choose the right materials for your postwar buildings. When you decide on windows, we hope it will be Fenestra—the windows that open easily—that give more daylight and better control of ventilation.

CANADIAN METAL WINDOW AND STEEL PRODUCTS LIMITED
160 River Street, Toronto
Montreal Address:
6565 Durocher Ave., Outremont, Que.

Our Slogan

THAT the time is ripe for all British Columbians to get behind the establishment of an iron and steel industry in B.C.

We have the ore in commercial quantities at various places in the province and usually accessible to potential power sites.

B. C. has done a big job of shipbuilding and manufacturing during the past five years and our post war problem will be just that much easier if we can retain a fair measure of this volume when peace comes to the world again.

To make this possible we must each and every one of us become more conscious of our responsibility and duty as British Columbians by giving whole hearted support to any problem or project affecting the prosperity of our province as a whole.

PROGRESSIVE ENGINEERING WORKS LIMITED
360 West First Avenue, Vancouver, B.C.

Production Time cut in half

PROBLEM: To recommend correct cutting oil, for all operations on special machines developed to manufacture 500 lb. bombs.

SOLUTION: B-A Industrial Engineers working closely with the Engineers who designed and put into operation these new machines showed that B-A Mulsicut 2165 could be used in one standard solution for all operations.

RESULT: The Standardization of solution simplified practice and assisted production. Thanks to the high efficiency of the plant concerned the production time unit of 7½ hours previously considered satisfactory was reduced by more than half.

When given the opportunity—as in this 'Case'—to co-operate in developing new processes, B-A Industrial Engineers have again and again been able to show where greater efficiency can be obtained on machine tools. It will pay you to consult B-A Industrial Engineers on any of your problems in the application of Petroleum products.

B-A's LINE OF INDUSTRIAL LUBRICANTS INCLUDES

B-A MULSICUT 2165:—a soluble cutting oil which creates a true emulsion with water in any desired proportion. Does not cause dermatitis.

B-A STURBOLENES:—in a wide range of viscosities for circulating and hydraulic systems.

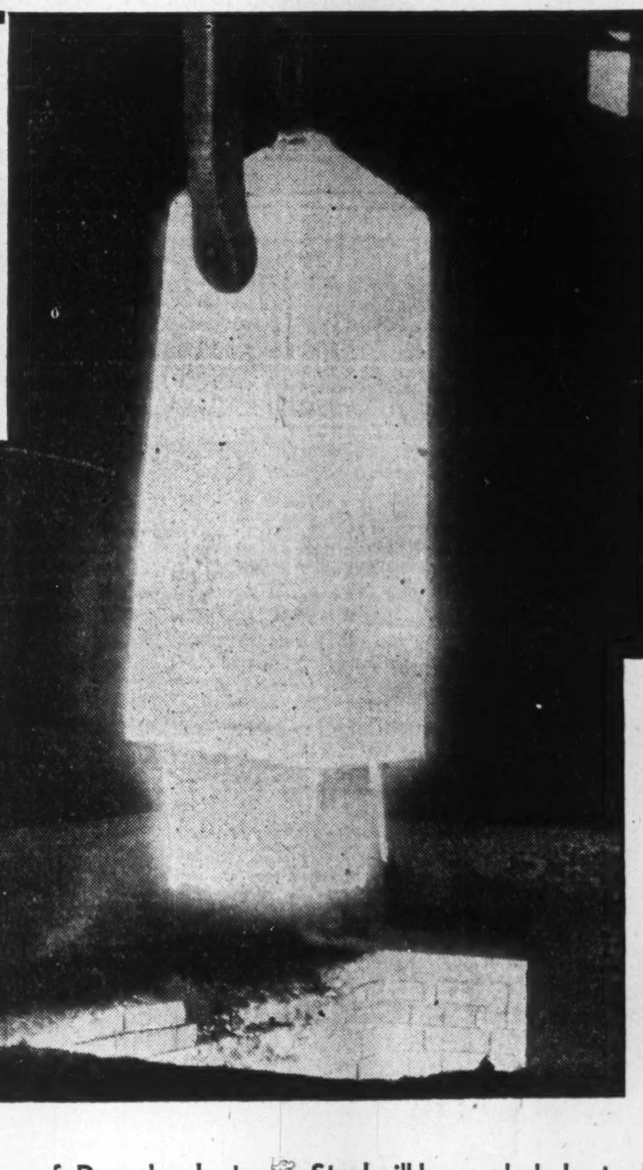
B-A SULFERCUTS:—efficient sulphur cutting oils for each set of conditions.

'CUT-AID':—a cutting energizer for machining aluminum and magnesium.

SERVICE B-A PRODUCTS

THE BRITISH AMERICAN OIL COMPANY LIMITED

STEEL FOR VICTORY AND AFTER



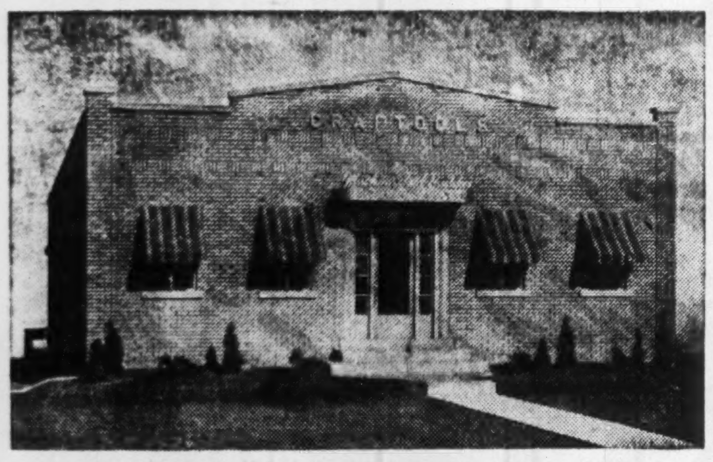
Will be shaped from this WHITE HOT INGOT

Up from a soaking pit in one of Dosco's plants comes a white-hot ingot of steel to be shaped into — what? In war-time it may become gun barrels, or plates for ship sides, or for tanks . . . or it may be the shaft of a propellor on a fighting or cargo ship . . . or casings for shells . . . or fine wire used in making gas masks . . . or bolts, nuts, rivets, screws . . . Steel in war is needed in a thousand shapes and sizes.

Steel will be needed also to shape and hold together the machinery of peace. So Canada will need the mines and mills of Dosco — and the men of Dosco with their strength and skill. And Canada, after victory as before it, will need the payrolls of Dosco — millions of dollars pouring through thousands of hands as the red corpuscles of trade into the veins and arteries of this Dominion. The mills of Dosco must be kept running if Canada is to be kept growing.

DOMINION STEEL & COAL CORPORATION LIMITED
AND AFFILIATED COMPANIES
Mines in Newfoundland and Nova Scotia
Plants, Warehouses and Sales Offices Across Canada

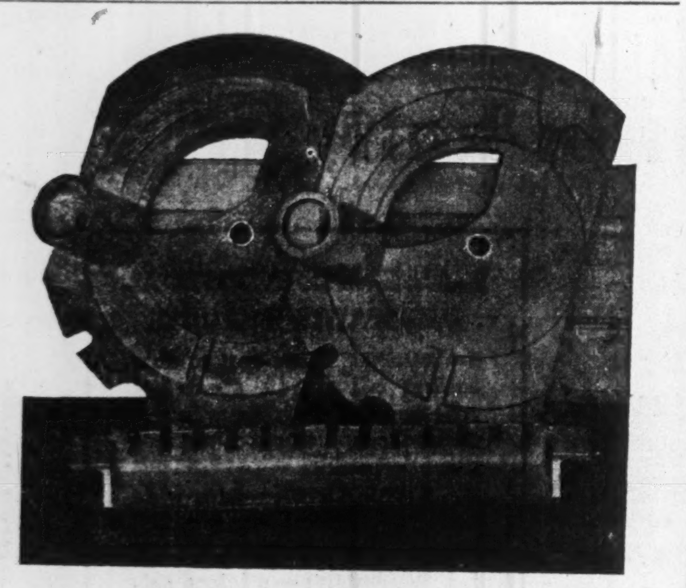
Only Producer of Steel and Steel Products in Canada • Wholly Self-sustained Within the Empire



The House of BULL DOG Vises

CRAFTOOLS

LONDON CANADA



When your job calls for castings in special types of metals or alloys that perhaps you have never used before, our engineers can advise you. Specializing in so many different types of casting; there are few problems that we cannot overcome. Aluminum, bronze, monel, manganese and Frontier 40E aluminum allow are the metals we work with every day. Castings in these non-ferrous metals or your special requirements can be made to your specifications or to fit your regular production schedule.

Our facilities and equipment enable us to cast your work up to 3,000 pounds in one piece.

SPECIALISTS IN CASTING ALL NON-FERROUS METALS

A·H·TALLMAN Bronze Company Limited
HAMILTON · CANADA

Formerly Banned Lines Can Now Be Imported

(Contd. from page 17)

Punch boards.
Puzzles.

Q

Quilts.

R

Racks, cue, billiard.
Racquets and racquet frames.
Radio receiving sets and cabinets and chassis therefor.
Radios.
Railway ties.
Raspberry wine, contg. 40 per cent or less proof spirit.
Rat cages of wire, and metal parts thereof.
Razor blades, iron or steel.
Razors, iron or steel, and complete parts thereof (but not to include straight razors).
Receivers, ash.
Receiving sets, radio, and cabinets and chassis therefor.
Reels, sportsmen's fishing, n.o.p. (but not to include parts for the mfr. or repair of).
Refrigerators, domestic or store, completely equipped or not.
Regalia, n.o.p.
Rhizomes.
Rhododendrons.
Ribbons, being woven fabrics not exceeding 12 inches in width, whether with cut pile or not, wholly or in part of silk but not contg. wool.
Rockingham ware.
Rods, fishing.
Roller leathers (so-called).
  skates, and parts thereof.
Roots, commonly known as florist or nursery stock, n.o.p.
  dormant.
Rose bushes, Dwarf Polyantha, for florists, etc.
  bushes, n.o.p.
  stock, for grafting or budding.
Row boats.
Rugs, automobile, steamer, and similar rugs or coverings.
  China goat, wholly or partially dressed but not dyed.
Rulers of all kinds.
Rum.
Rum shrub.
Runners, window.

S

Sail boats.
Salmon, prepared or preserved, n.o.p.
Sauces, vegetable, of all kinds.
Scales.
Scarves, dresser.
Schappe, wholly, of spun silk singles, n.o.p.
Schiedam.
Schnapps, other.
Scissors (manicure) sterling silver.
Score reckoners and score pads, paper.
Screens (for fireplaces).
Seals, Christmas, paper, printed, embossed or otherwise decorated.
Seedling carnation stock.
Serpentines, paper.
Sewer pipes and earthenware fittings for.
Shade holders.
Shades, lamp, n.o.p.
Shaving machines, dry, electric.
Shelf papers, fancy.
Shells, cocoa.
Shoe horns (sterling silver).
Show cases and metal parts thereof.
Shrimps in sealed containers.
Shrubs, rum.
Shrubs commonly known as florist or nursery stock.
Signs, not paper.
Silk apparel.
  artificial, mfrs. of or of which artificial silk is the component of chief value, n.o.p.
  clothing.
  cocoons.
  fabrics, waste portions of unused, n.o.p.
  filaments or loose fibres not more advanced than sliver.
  garnetted material wholly of.
  manufacturers of, or of which silk is the component material of chief value, n.o.p.
  rags.
  raw.
  rovings, n.o.p.
  warps, n.o.p.
  yarns.
Silver, manufactures of, n.o.p.
  sterling, articles made of, n.o.p.
Silverware, articles made of, n.o.p.
Sinkers, n.o.p. (but not to include parts for the mfr. or repair of.)
Sinks, of iron or steel, coated or not.
Skates of all kinds, roller or other, and parts thereof.
Skiffs.
Skin washes, alcoholic.
Skins, Astrakhan hare, not dyed.
  China goat, not dyed.
  fur, wholly or partially dressed, n.o.p.
  fur of all kinds, not dressed in any manner.
  hare, Astrakhan or Russian, wholly or partially dressed but not dyed.
  Russian hare, not dyed.
Skis.
Slide fasteners.
Smokers' sets and cases therefor.
Snuff.
Soap, mineral.
  powdered or powders.
  n.o.p.
Socks.
Soda fountains.
Soy.
Sparkling wines.
Spirit, palm, or arrack, n.o.p.
Spirits, perfumed.
Spriituous liquors.
Spoons, paper.
Sportsmen's fishing reels, bait, hooks and fishing tackle, n.o.p. (but not to include parts for the mfr. or repair of.)
Squirrel cages of wire, and metal parts thereof.
Statues and statuettes.
Steamer rugs.
Sterling silver, articles made of, n.o.p.
Stickers, Christmas, paper, printed, embossed or otherwise decorated.
Stockings.
Stones, precious and imitations thereof, not mounted or set.
  precious and semi-precious, including pearls, and all imitations or simulations thereof.
Stoneware.
  blocks, for mosaic flooring.
  tiles, for mosaic flooring.
Store furniture.
Stout.
Strawberry wine contg. 40 per cent or less of proof spirit.
Straws, drinking, made of paper or vegetable fibre.
Sugar candy, n.o.p.
  confections and confectionery.
  plums, candied.
Sunshades.
Sweetened breads.
  cakes.
  gums.
  pies.
  puddings.
Sweetmeats.
Swivels, n.o.p. (fishing tackle) but not to include parts for the mfr. or repair of.
Syrups, fruits, n.o.p.

T

Table cloths.
  covers, paper.
  napkins.
Tables, bagatelle and billiard.
  game.
Tableware, china, porcelain, semi-porcelain, glass or while granite.
Tafia.
Tags, Christmas, paper, printed, embossed or otherwise decorated.
Tallies, paper or cardboard.
Tassels, n.o.p., whether contg. tinsel or not.
Tents.
Terra cotta ornaments.
Textile manufactures composed in part of embroideries or lace.
Timber, hardwood, not further mfd. than sawn or split, whether creosoted, vulcanized and treated by any other preserving process or not.
Tippets, fur.
Tips, cue, billiard.
Tissue paper, crepe, and manufactures thereof.
  facial, not including such paper in jumbo rolls.
Tobacco, cut.
  manufactures of, n.o.p.
  pipes and cases therefor (except tobacco pipes having a value for duty purposes not exceeding 50 cents each).
  pouches.
  unmanufactured for Excise purposes.
Toilet articles of all kinds, (sterling silver).
Toilet preparations.
Tomatoes, prepared, in air-tight cans or other air-tight containers.
Tongs (for fire places).
Tooth powders.
  washes.
Tops, chimney, and inverted blocks, earthenware.
  locomotive, for use on railways.
Torpedoes.
Towels, paper.
Toys.
Trackless trolley buses, electric.
Trailers designed for use with passenger automobiles.
Trawling spoons, n.o.p. (but not to include parts for the mfr. or repair of).
Trawls, n.o.p. (but not to include parts for the mfr. or repair of).
Tray cloths.
  covers, paper.
Trays, sterling silver.
Trees commonly known as florist or nursery stock.
Tricycles, n.o.p.
Trolley buses, electric trackless.
Truffles, fresh, dried, or otherwise preserved.
Tubers (florist and nursery).
Tweezers, (sterling silver).

U

Umbrellas.
Urinals, iron or steel, coated or not.

V

Vacuum cleaners and attachments, electric, domestic or household type.
Vases.
Vegetable extracts or juices.
Vegetable flour.
  sauces of all kinds.
Vegetables, dried, desiccated or dehydrated, n.o.p.
  prepared or preserved.
  prepared, in airtight tins or other airtight containers.
  preserved or pickled in salt, brine, oil, or in any other manner, n.o.p.
Vending machines.
Veneers, wood.
Vents, chimney, earthenware.
Vermicelli, contg. no egg or other added ingredients.
Vermouth.
Vines, commonly known as florist or nursery stock, n.o.p.

W

Walking canes & sticks.
Wall papers.
Warps, wholly of thrown silk in the gum, n.o.p.
  wholly of spun silk, generally known as schappe and bourette, not more advanced than singles, n.o.p.
  wholly or in part of silk, n.o.p., including threads, cords or twist, etc.
  wholly of thrown silk in the gum, imported by mfrs., etc., for knitting underwear, for weaving or for mfr. of silk thread.
  wholly or spun silk, not colored, for knitting underwear, for weaving or for mfr. of silk thread.
Washes, hair, tooth and skin, contg. spirits of any kind.
  non-alcoholic, for the hair, mouth or skin.
Washing machines, electric, domestic, with or without motive power incorporated therein.
Waters, lavender, and cologne.
Weights, paper.
Whiskey, n.o.p.
Window runners.
Wines, n.o.p., contg. more than 40 per cent proof spirit.
Wines of all kinds, n.o.p., including orange, lemon, strawberry, raspberry, elder and currant contg. 40 per cent or less of proof spirit.
Wines sparkling.
Wrapping paper, including box covering paper and wrappers, printed, embossed or otherwise decorated.

Z

Zipper fasteners.

Aluminum Co. Wins Appeal on Wages

From Our Own Correspondent

MONTREAL.—The National War Labor Board has allowed the appeal of the Aluminum Co. of Canada, Ltd., against the decision on March 10 of the Regional War Labor Board for the Province of Quebec, with respect to establishment of time rates and incentive rates for certain classifications of employees at the Arvida plant.

The incentive rate is a percentage of the basic time rate and the Regional War Labor Board had previously ruled that the cost of living bonus of eight cents an hour, which the company has been paying, should be added to the basic time rate, with the resulting rate to be used as the basis for calculating the incentive rate. The National War Labor Board has ruled that, while the cost of living bonus of eight cents an hour should be added to the basic time rate, the incentive rate should be calculated on the original basic time rate, exclusive of the cost of living bonus.

The effect of this ruling is to approve the practice already adopted by the company and to maintain earnings of workers at the same level as prevailed prior to the decision of the Regional War Labor Board.

The ruling is retroactive to the first payroll period commencing on or after February 15, 1944.

Shown here is a battery of electric furnaces in operation at our Beauharnois plant.

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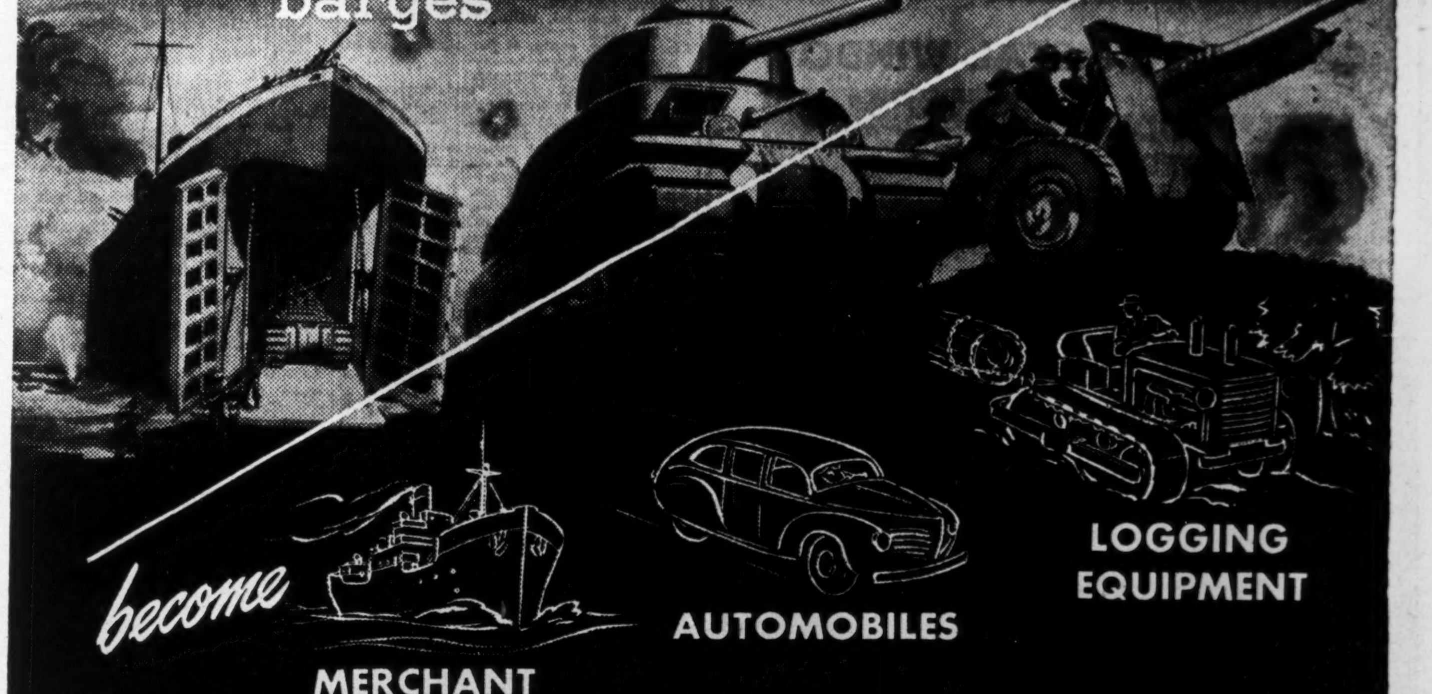

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The Squeeze in Machine Tools

Surplus Machines, Surplus Capacity to Make Them

By R. E. CRAWFORD
Editor, Canadian Machinery

Discussion of excess machine tool capacity is liable to be misleading because there are two distinct phases of this excess. One is excess-ability to build machine tools, and the other an excess of the products, the machine tools in manufacturing plants.

Both in Canada and the United States there has been only a very small proportion of new machine tool builders coming into existence as a result of the war. Canada, with its nine or ten machine tool builders has only acquired one—or two, depending on a matter of definition.

These builders, however, both in Canada and the United States have enormously increased their capacity to produce, have partially worked themselves out of jobs, and are due to suffer in two directions—first from having too much productive capacity now to handle even an expanded market which may be hoped for and striven for after the war, as compared with prewar. Second difficulty is the liability of a badly contracted market, because of the heavy production of machine tools during the war.

For War And Peace

The machine tools of war are the machine tools of peace, and they are built to last a long time. With the exception of certain single-purpose machines and others which through mishandling, overloading, or just plain weariness are worn out, most of them should be perfectly good.

Making the contrast with postwar prospects of other industries even worse is the fact that the automobile, refrigerator, vacuum cleaners, paper machinery and mining machinery and other machinery industries have big backlogs to keep them busy. But a huge inventory, estimated at from thirteen to fifteen years' normal consumption—has been built up in the machine tool industry.

Latest available report of the acquisition of machine tools in Canada shows that Citadel Merchandising, the Government-owned machine tools procurement company, had provided some 33,000 machine tools, valued at over $170 millions.

This is in addition to individually-owned tools which may have been bought during the war period.

Claims for priority on the private purchase of the Government-owned tools when their war utility is finished are now under investigation by the Machine Tool War Service Committee, under the chairmanship of J. G. Notman, of Dominion Engineering Works, working under H. J. Carmichael, Co-ordinator of Production.

Questionnaires sent out by this committee would suggest that first preference will be given to the plant in which the tools are already located. The manufacturer wishing, for postwar production, to acquire other tools not now in his plant, may so indicate, and the presumption is that machines in other plants not there required will be made available to him.

Price and details of sale are to be controlled by War Assets Corporation.

At one time, Canadian machine tool builders were hoping that some of our excess capacity would be transferred to countries in dire need of it, possibly European countries, Russia or China. Much of this possibility has been neutralized, however, by Russia's Mutual Aid purchases, under which some of the most highly productive machine tools built in Canada are going, brand new, to Russia. This late in the war, they will undoubtedly have also a postwar utility.

Karl K. Homuth, speaking in the House, and quoted in Hansard (page 3,882), gave voice to a thought which had been troubling the minds of many Canadians who can see what is going on about them. The member for Waterloo-South referred to materials that were being purchased with Mutual Aid money, and their possible implications in the strong economic competition that will exist between countries when the war is over. Large numbers of machines and quantities of other equipment were being dispatched to Russia under the Mutual Aid agreement.

"If my information is correct orders from Soviet Russia to the value of millions upon millions of dollars are now being worked on in various factories in the Dominion. I think the people of Canada would like to know whether these products, particularly the machines, are for war purposes. Personally, I think they are not, because the orders I have in mind cannot be completed before the end of the war, if the war should end in the next two or three years. How much of the money allocated to Mutual Aid is going in payment of these machines? It must be assumed that these machines are to go into the economic setup of Soviet Russia and will be operating in the economc war which will follow the war; and unless the Russians raise their standards of living to that in Canada—which, however, some may criticize, are the highest of any country in the world—these machines will be operated against the interest of the working men of Canada."

Finance Minister Hon. J. L. Ilsley replied to the above question that no nonwar machines are being supplied to Soviet Russia on Mutual Aid.

Canada's machinery builders, whether or not they feel in their own minds that many of the machines now being built for delivery to Russia, under whatever arrangements, can play only a very small part in production for war purposes and will have an enormous production value for after the war, are nevertheless exerting every effort to see that deliveries are made to their magnificent ally. They expressed concern over just the possibility, suggested above, in their submission through the Canadian Machine Tool Builders' Association, and suggestion in that brief, however selfishly founded, that the most highly productive machinery be kept in Canada when postwar disposal of machine tools was made, is being neutralized by the delivery right now of machines of exactly that type.

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Three More Reverses for McGeer-Slaght Team

Banks' Inner Reserves Represent Their "Freedom to Take Losses," Says Jackson — Balancing Budget Discussed

Inner bank reserves, balancing of the budget and creation of credit were talked at great length in the past week as the House of Commons Banking Committee continued on its somewhat tortuous way.

Mr. Slaght and H. R. Jackman, Toronto Progressive Conservative, clashed briefly but bluntly over the former's contention that money appropriated for the banks' inner reserves belonged to the shareholders.

Interrupted by Mr. Jackman, Mr. Slaght referred to "My friend Mr. Jackman, who has styled himself as the human yeast cake, the great interrupter or riser on every occasion —" For which he was called gently but firmly to order by the Chairman.

Calling for an elaboration of his evidence on this point from C. S. Tompkins, inspector general of banks, Mr. Jackman said he did so because "Mr. Slaght does not seem to be able to get it through his impervious head that this is not the actual fact—"

To which Mr. Slaght rejoined: "If my hon. friend, instead of bothering with my head, will pay more attention to the vacuum that is under the skull of his head, we will get along faster."

Three amendments rejected

Amidst such pleasantries, and to the accompaniment of charges that Mr. McGeer and Mr. Slaght were obstructing progress, the committee plowed ahead, finally voting down three amendments to the bank bill moved by the two critics of the present financial system.

Mr. Slaght's amendments urged that the chartered banks' right to make loans to the Dominion Government be done away with, and that the chartered banks be required to maintain a reserve of 100% against demand deposit liabilities.

Mr. McGeer's amendment asked that it be made unlawful for any chartered bank to create credit in place of lawful currency unless it was authorized to do so by a Government board.

Mr. McGeer, who spoke for about six hours in two days, either in explaining his views or in questioning witnesses, gave notice that he would introduce a motion for a Royal Commission investigation into ways of modifying and extending the banking institution and the monetary system, so as to improve methods of providing governments and individuals with "a sufficient supply and an effective circulation of the medium of exchange required to sustain the going concern activity of the nation."

On the stand for a good part of the week was Gilbert E. Jackson, former professor of economics and now a consultant in economics, who appeared on behalf of the Canadian Retail Federation. CRF brief was presented by P. K. Heywood, president of the Federation.

Defends Inner Reserves

Under questioning by Mr. McGeer and Mr. Slaght, Mr. Jackson said: "The inside reserves of the banks are the banks' freedom to take losses. They are the banks' freedom to act with courage and to nurse their accounts in difficult times. They could keep their losses down to the minimum." The banks, he added, would not be as free to loan money were it not for the inner reserves.

On balancing the budget, Mr. Jackson told Norman Jaques, Alberta Social Crediter, that if he tried to answer that question he would have to talk to the committee "for the rest of my life."

Getting down to some of the es-

(Contd. on page 21)

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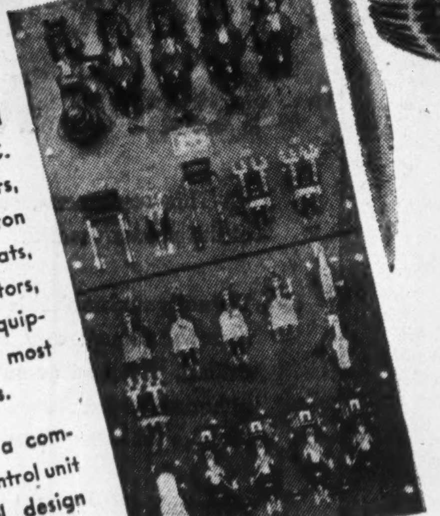

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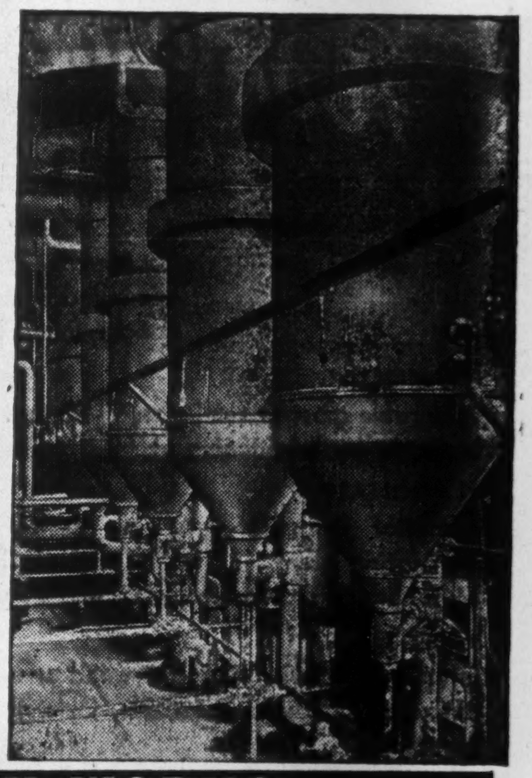

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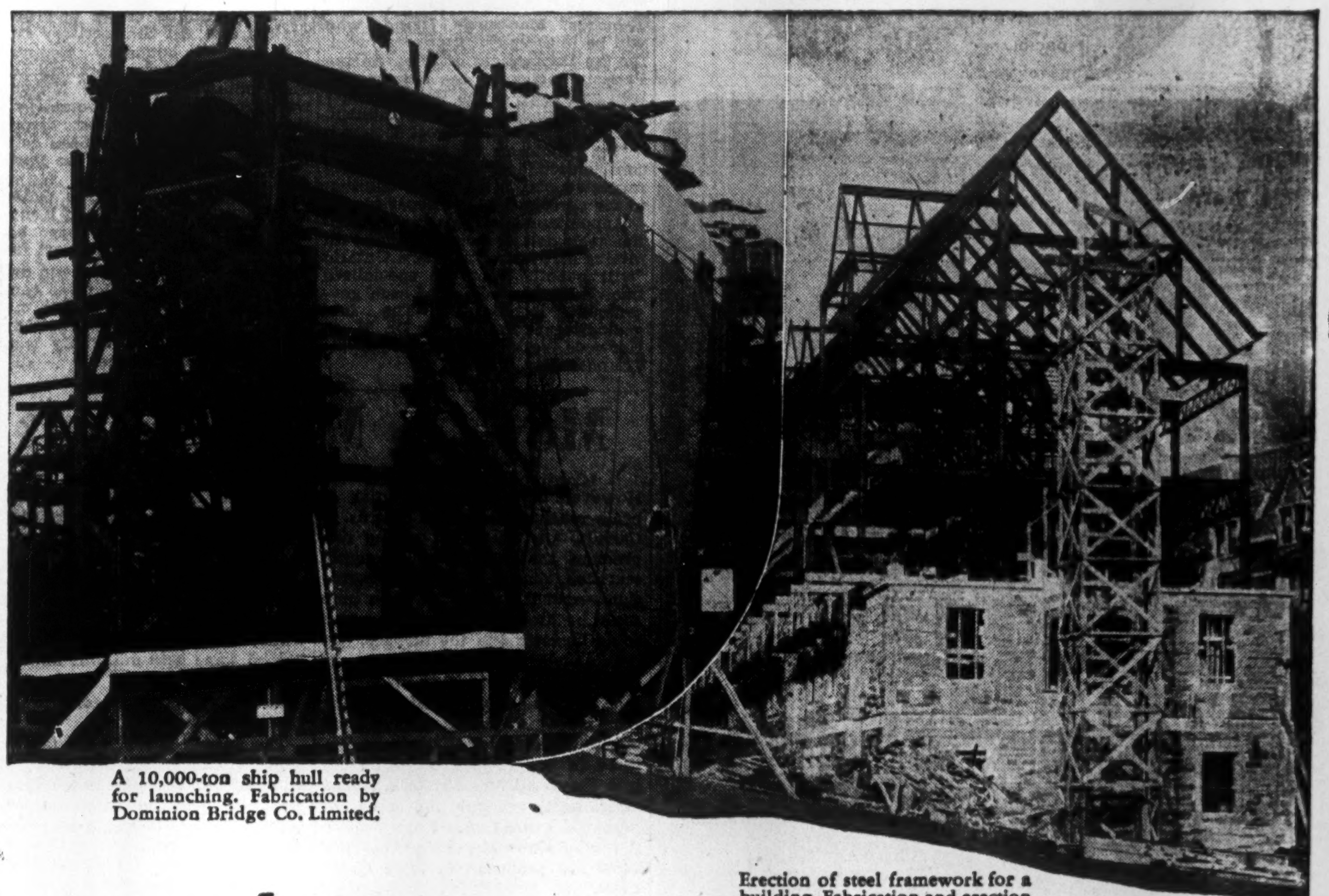

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M'Leod Opens New Body To West on 950 Level

Drifting west on the north branch of the main iron band at the 950-ft. horizon of MacLeod-Cockshutt Gold Mines has disclosed a new ore body—known as No. 651W—with a length of 105 ft. so far.

The new ore structure shows heavy sulphide mineralization with a high proportion of quartz veins and 640 tons from car sampling has indicated an average grade of 0.306 oz. gold per ton.

Furthest Ore to West

The disclosure, it is thought, may prove of particular significance as it is the farthest ore to the west, geologically, so far opened up in the mine. Drifting farther west is continuing in ore and a drill intersection, No. 6-27, of 0.30 oz. gold across 13.6 ft. has been secured 30 ft. west of the drift face. Exploration on the 7th level is projected to explore the depth continuity.

Crosscutting north on the 6th level will be continued north beyond the iron formation to a zone that returned important drilling intersections in horizontal drilling north from the 5th and 6th levels. The ore intersections are over widths up to 13 ft. across east-west section of 150 ft. A total of 350 ft. of advance is needed to reach the locale of this indicated ore with lateral exploration there expected to be under way before the end of the year.

Working Other Levels

Other horizons of the No. 1 shaft where drifting is being carried out include the 5th, 8th (1,250), 9th (1,400) and 11th (1,700). The No. 1 shaft was deepened and four new levels were established at 1,250, 1,400, 1,550 and 1,700 ft. earlier this year.

On the 8th level at 1,250 ft., a crosscut is being driven north to the main iron band, on which drift development to the east will be done. Two holes from the No. 1 shaft returned ore intersections in the iron band.

On the 1,400-ft. level, crosscutting has been carried within 100 ft. of the iron formation and lateral development should be under way in September.

At the 1,700-ft. horizon, drifting east to the east boundary with Hard Rock is proceeding. Transverse drilling will be done as the drift is advanced.

Test to South at 5th

Drifting west is being carried out at the 5th level to the area south of No. 1 shaft. Horizontal drilling to the south in the porphyry mass intersected ore structure over a width of 12 ft. being 0.64 oz. across 4.6 ft. followed by narrow high grade sections. Close interval drilling is to be done as the drift is advanced.

It is hoped that the opening of the new lower levels of the No. 1 shaft will place the mine in a position where a return of production to 650 tons daily can be readily achieved. Mill capacity is 750 tons daily, only small additions would be necessary to increase its capacity to 1,000 tons daily. Milling rate the first half of this current fiscal year averaged 376 tons daily.

Operating profits for the six months ended March 31, 1944, totalled $258,027 with estimated net profit, after write-offs and provision for taxes, of upwards of $50,000, it is stated.

Ontario's Biggest Gold Rush Now Reported Under Way

What Ontario Department of Mines officials describe as the "biggest gold rush in the history of Ontario mining is now on."

Evidence of the intense prospecting boom now in progress is provided by data on claims staked in Ontario this year. In the first six months of 1944, no less than 5,570 claims were recorded as against 1,799 for the comparable period of 1943.

Announcing the high level of activity in Ontario, the Department of Mines states in part as follows:

"Millions of dollars of development money are involved in this new search for gold and since last autumn, an incredible number of new companies have been incorporated in Ontario for the purpose of developing gold properties. The search for strategic minerals is over and the public, through its shareholders, is taking an indirect but essential part in the province-wide hunt for the yellow metal," it was stated.

"Were it possible to remedy the manpower situation and to remove development limitations imposed by Ottawa, the gold production would leap above the all-time record output of 1940.

"Areas of greatest activity, as reflected by the number of claims recorded or transferred, the diamond-drilling and surface development work by mining crews and prospectors are: All the territory from the Quebec boundary westward through Larder Lake, Kirkland Lake and southwestward into Matachewan; from the Quebec boundary to the west and northwest through Porcupine on what has been called the eastern extension of the Porcupine break; Missinabi, in Algoma; Red Lake in northwestern Ontario and Dogpaw Lake, south of Kenora, where a wide area has been blanketed by claims since last fall.

"Many hundreds of diamond drills are in operation in all these camps and were it possible to get more machines and more experienced drill crews, mine-finding activity would be much more enhanced."

Ontario Extending Geological Aides

A further resident geologist has been appointed by the Ontario Government in Dr. Robert M. Thomson, Mackenzie Island, who will be in charge of geological work for the Department of Mines in the Patricia portion of the Kenora district and Lake of the Woods area.

In announcing the appointment, Mines Minister L. M. Frost declared: "Dr. Thomson is an extremely conscientious technician, universally respected and an excellent addition to the personnel of the department."

Appointment of further residential geologists is planned so that all mining districts of northern Ontario "will benefit from the specialized knowledge and advice of each government technician." The first geologist appointed was Dr. H. C. Horwood, resident geologist for the Thunder Bay district.

Move to Mass Output

(Continued from page 13)

However, before the production of brass reached its fullest heights in Canada, any means of saving this precious material was thoroughly searched. Zinc is adequately corrosion resistant, and at the same time could be die-cast. That is to say, it could be melted in the furnace, run into a metal mold and subjected to high pressure as it froze. Not only that, but the mold could be made accurately to shape, graduations, markings, and a host of other features of the surface could be cut into the mold and duplicated time after time without the need of separate operations. Here was a source of enormous savings because fuses are produced in huge quantities.

McKinnon Industries succeeded in having the revision approved by military authorities — the authorities of all three services deserve greatest credit for their cooperation in accepting many useful changes—and by substituting the lower-cost materials, eliminating almost all of the expensive machining operations, a saving of over 3,600,000 lb. of brass per year was made, at the same time releasing precious machine tools and man-hours.

The case of the improvements in making shell fuses is typical of the scores of other changes by means of which Canadian engineers have lopped some $150 millions annually off our war costs.

But do the changes constitute an "Industrial Revolution"?

The answer is no. Thus far they almost exclusively reflect the mobilization of Canada's full capacity to produce. In a sense the great bulk of the progress can be regarded as the response of industry to the limitless "market" of war demands.

More accurately, Canada has advanced one step farther along the road of industrialization. Whether the tremendous gains in production and production efficiency can be retained after the war will depend entirely on our ability to secure quantity markets—either at home or abroad.

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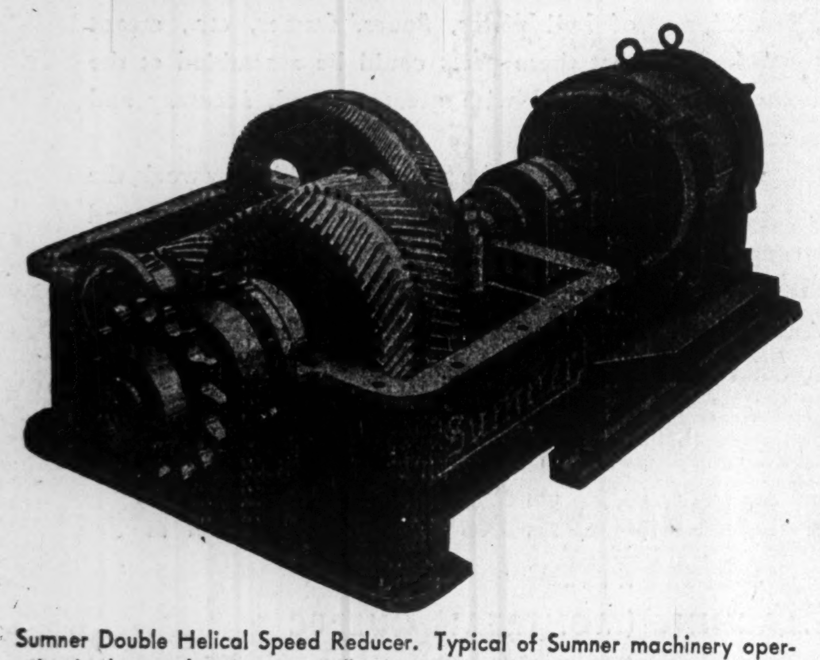

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Steel weighs less per strength unit than other structural material.
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Structural steel is hard to damage.
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Pig Iron — Steel's Basis Shows Marked Growth

With 40% More Stocks Than in 1937, Production is Now Well Over Double That of 1939

Canada has become a fortress of iron and steel.

But instead of guns fingering the skies, blast ovens rear their stacks along city skylines and steel furnaces spout ingots to be rolled and fabricated as ships, tanks, guns and shells.

And when the guns and fighting cease, Canada's hearths and furnaces will continue to spew forth metal, her mills to roll their fiery ingots—not for weapons of destruction but for buildings and bridges, for automobiles and improved farm machinery, for all of the old and some new uses taught to industry by war.

Furnace Lines Lengthen

Canadian blast furnaces — the giants that turn the basic iron ore into pig iron for the steel mills—have grown from 10 stacks in 1937 to 14 now. Between 1940-42, with 12 stacks in operation, annual output rose from 1,309,099 short tons to 1,975,014, or 94% of the then rated capacity of 2.1 million short tons. Two additional stacks brought 1943 production to 2,756,160 short tons.

Total pig iron production for 1943 in Canada, at 1,758,265 tons, was down 216,750 tons from the 1942 figure of 1,975,015 tons. But the latter figure nevertheless represented an increase of 29% over 1941's 1,528,053 tons. Value of 1943 sales by producers totalled $8,366,939, an increase of 18% over the $7,080,242 of the preceding year.

From 1932 to 1935, pig iron production increased 316.2%, while the percentage increase of 1942 over 1939 was 133.3%, and over 1941, 21%.

To Mills, Foundries

Consumption of pig iron for steel ingots and castings rose from 733,096 tons in 1939 to 1,615,396 tons in 1942. There was a like spurt in pig iron consumed for iron castings, from 60,052 tons in 1939 to 176,199 tons in 1942. Some 9,936 tons went to the agricultural implement industry in 1939, but the next year deliveries to that quarter rose sharply to 17,836 tons and again sharply to 26,772 tons in 1941, declining to 21,884 in 1942. Consumption fluctuated in hardware and tools and miscellaneous iron and steel.

Following is table showing consumption of pig iron in Canada by industries from 1939-42:

CONSUMPTION OF PIG IRON IN CANADA BY INDUSTRIES 1939-42
(Net tons)

Industries:	1939	1940	1941	1942
Steel ingots and castings	733,096	1,083,190	1,340,441	1,615,396
Iron castings	60,052	83,821	157,884	176,199
Boilers, tanks, platework	11,445	15,330	18,459	18,867
Agric. implements	9,936	17,836	26,772	21,884
Machinery	13,171	22,912	24,927	23,449
Automobiles	—not available—			6,545
Automotive parts	7,014	12,096	15,640	16,014
Rly. rolling stock	22,600	32,144	19,228	25,517
Brass, copper pdts.	1,941	2,343	3,056	2,247
Shipbuilding	101	274	206	743
Hardware and tools	3,585	3,219	2,358	2,548
Misc. iron, steel	552	1,152	1,005	203
Heating, cooking apparatus	18,273	22,593	18,725	18,846
Elec. apparatus, supplies	1,662	2,153	2,865	2,148
Total	883,428	1,299,063	1,631,566	1,930,642

Ferro-Alloys' Long Rise

Ferro-alloys represent perhaps the most persistent development in Canada's iron and steel industry. Production of ferro-alloys did not, of course, escape the effects of last winter's premature cut-backs in munitions orders. Indeed, output for the first four months of this year was down to 57,460 tons as against 75,671 tons for the opening months of 1943; it declined from 18,698 tons in April 1943 to 12,818 tons in April 1944.

Between 1938-43 ferro-alloys production rose from 62,737 tons to 224,000. But its galvanic growth did not start with the war, as evidenced by the fact that between 1932-35—time of depression—output jumped 250% from 18,100 tons to 63,410, evidently in response to a long term trend to increased use of alloy steels and irons in automobile and other manufacturing.

Three Reverses For McGeer & Co.

(Contd. from page 19)

sential factors in balancing a budget, he added: "I hope the minister would be so economical in his administration of Canada, and so ruthless in continuing to collect the necessary taxes that his income and his outgo balance as a rule . . . He should earn as much as he spends . .

"We must wish for a balanced budget, whatever the necessary level of expenditure in peacetime; how heavy the burden of taxation is going to be depends upon how extravagant the expenditures of the Government of Canada are going to be, and those are two unknowns which at the present I cannot talk about . . .

"A Government extravagant in its expenditure must be ruthless in its taxation if it is going to do its duty by the country."

Mr. Jackson, commenting on Mr. Slaght's amendment proposing that Government needs be paid through the Bank of Canada and not through the private banks, said such a plan, if put into force, would be a "national disaster." It would be a "national disaster."

Parliament at Work

The Busy Man's Guide to the Week in the Federal Capital

Charges of racial discrimination were hurled, and denied, when House members discovered what they believed to be an innocent looking amendment to the Dominion Elections Act contained implications far more drastic than had been intended. The amendment was designed to prevent Japanese, ousted from B. C. for security reasons, from voting in other provinces, a right they do not possess in B. C. The amendment as worded would have deprived all Japanese, including those in other provinces who enjoy the franchise now, as well as a few of other foreign nationalities, from voting. Changes in the original amendment attempted to make it clear that racial discrimination "was never the intention of the Government," said Mr. King (Hansard, p. 5,025). A. W. Neill (Ind., Comox-Alberni, B.C.), said the "horrible mess" that had arisen in the House over the amendment was due to "rotten draftsmanship."

Legislation for a national housing scheme will be introduced at this session, Prime Minister King informed S. H. Knowles (CCF, Winnipeg North Centre). In reply to a query by Mr. Knowles if "there would be national housing legislation this session?" Mr. King replied, (p. 5,080): "Yes, there will be."

Despite stiff opposition from Progressive Conservatives, Munitions Minister Howe's Aeronautics Act was given third reading and passed. Two Progressive Conservative amendments fell by the wayside in the process. Contention of J. G. Diefenbaker (p. 5,048) was that placing the air board under the control of the minister was "arbitrary, dangerous and autocratic." The Progressive Conservative amendment and the Government's policy represented "two wholly opposite views of responsible government," said Mr. Howe. The amendment would turn over the "domain of the air" to a board which, "quite independent of the minister and of Parliament," would control aviation.

The Government view was that aviation should be the "responsibility of the government of the day," with the board advising the Government. "The Government will hardly act against the advice of the board," he said.

Two strains of wheat with "very definite resistance" to sawfly damage have been developed at the Swift Current, Sask., experimental station, Agriculture Minister Gardiner explained (p. 5,082) in a summary of experimental work conducted by his department. He said that a "considerable volume" of these two strains may be available for distribution in 1945. Better rust-resistant grains of all kinds, "of superior quality and higher yields," are also being studied. Two promising varieties of oats, resistant to both stem and leaf rust, are "being multiplied for distribution," said Mr. Gardiner.

Plans for postwar markets for agricultural products in Britain will be studied when J. G. Robertson, agricultural commissioner, returns to give a "complete review of the situation over there," Agriculture Minister Gardiner told the House (p. 5,124). Importance of pushing sale of farm products abroad was stressed by Mr. Gardiner, who cited cheese as an example of what could be done. Exports of cheese to Britain in 1935 reached a low of 52 million lb. At that time London was covered with "Eat New Zealand Cheese" signs, and cheese exports from that country to Britain soared to 197 million lb. Canada had done some advertising herself since then, with the result that Britain had taken about 90 million lb. of Canadian cheese in the last year before the war.

Up until the time the 100% Excess Profits Tax was imposed in 1942, most corporations made only nominal contributions to charitable purposes, said Finance Minister Ilsley (p. 5,197). After the Excess Profits Tax was imposed, number of donations and amount of contributions mushroomed. The corporations, said Mr. Ilsley, were in reality diverting to charitable institutions money that should have gone into public funds. He felt that the Government had been "sufficiently generous" in handling this form of taxation.

Item of $2 millions for the Prairie Farm Rehabilitation Act was a "mere bagatelle," said J. R. MacNicol (Prog. Con., Toronto Davenport), urging provision of an adequate water supply for both Regina and Moose Jaw, Sask. (p. 5,138). Mr. Gardiner explained that PFRA had been inaugurated on a short term basis in 1935 to meet a particular problem — drought, with not more than $1 million to be spent in any one year. He had succeeded in having this amount raised, but war exigencies had meant it had been reduced in recent years.

Joint labor-management production committees have been set up in Nova Scotia mine fields, Parliamentary Assistant Martin informed C. Gillis, (CCF, Cape Breton South, N.S.). Agreement to take this action was reached in May and June of this year, said Mr. Martin (p. 5,227) and H. C. Goldenburg, chairman of the Industrial Production Co-operation Board, and M. M. Maclean, a member of the board, summoned a conference of miners and coal operators at Sydney, when the committees were inaugurated and problems discussed. Both miners and operators agreed to consider all causes hindering maximum coal output, said Mr. Martin, and "there should be an improvement in the coal situation."

Contention that reduction in the tariff on agricultural implements would benefit the farmer only slightly, but that it might result in serious unemployment among industrial workers, was advanced by W. R. Macdonald (Lib., Brantford City, Ont.). Out of every $1,000 the farmer spent on machinery, said Mr. Macdonald (p. 5,266), the proposed cut in the tariff would save him only $1.25. "I am afraid," he added, "the adverse effect on the worker will be much greater than the beneficial effect on the farmer." H. Leader (Lib., Portage la Prairie, Man.) said if a man started farming now he would have to spend as much for machinery as for land, and that tariff reduction meant a lot to the man who had to buy the machinery. P. E. Wright (CCF, Melfort, Sask.) said in 25 years of farming he had paid $8,000 for farm machinery and repairs, or about $400 a year, considerably more than Mr. Wood had suggested.

IRON AND STEEL INDUSTRY AND THEIR PRODUCTS

		1939	1940	1941	1942
Establishments	(No.)	1,394	1,433	1,759	1,931
Capital	($000)	697,893.7	837,382.0	1,138,701.7	1,446,215.0
Employees	(No.)	121,041	164,325	253,701	360,909
Salaries & wages	($000)	158,559.7	242,737.6	408,064.1	639,330.9
Cost of materials	($000)	262,292.8	454,479.8	715,596	985,960.2
Net val. products	($000)	275,774.8	429,461.9	735,511.8	1,084,424.3
Gross val. prod.	($000)	553,468.9	906,103.1	1,483,169.8	2,112,822.2

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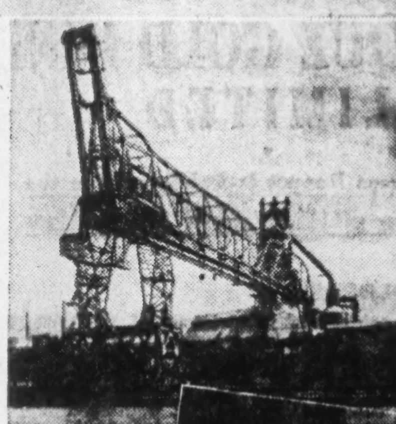
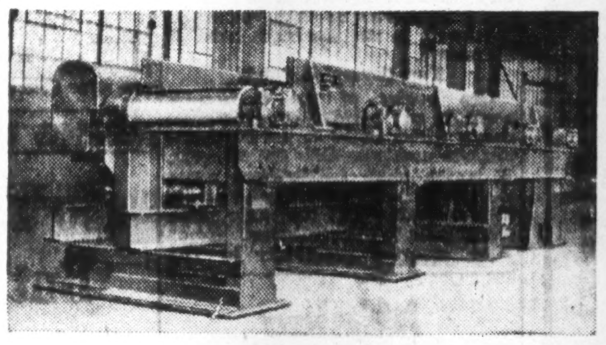
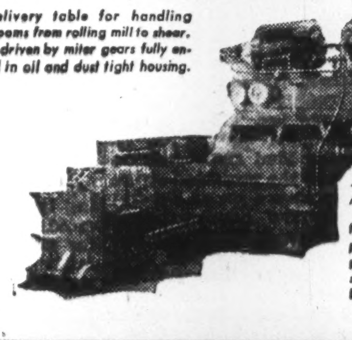


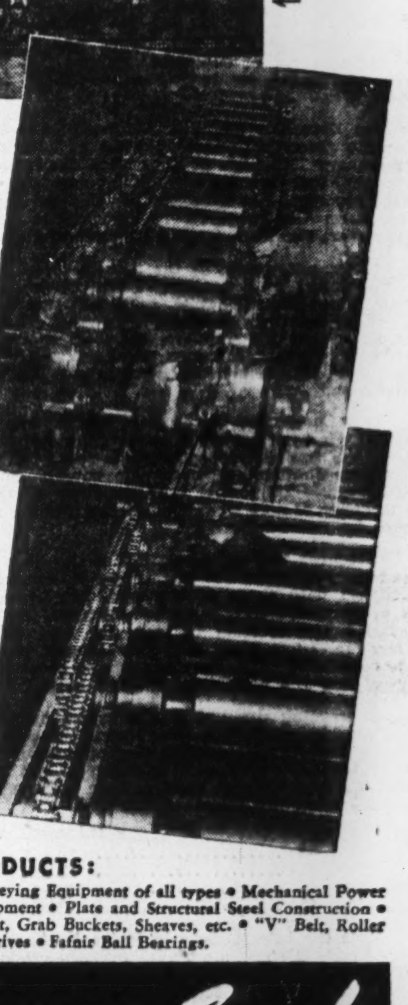
12-ton man-trolley type ore handling bridge built by Mead-Morrison Division of United Steel for one of Canada's largest steel producers.



Delivery table for handling blooms from rolling mill to shear. Table driven by miter gears fully enclosed in oil and dust tight housing.



Baldwin-Southwark 300-ton horizontal straightening press with self-contained pumping unit and with special manipulator for handling round bars.



Marchant mill table for handling high alloy steel billets to tilting table for transfer to mill stands, built by Dodge.

Section of chain driven roll table. Tubular steel rolls 12½" diameter with cast steel trunnions running in Fafnir fixed and floating bearings. Extra heavy Morse roller chain drives these rolls, handling 4" thick by 4' 0" wide steel slabs.

Dodge belt conveyor for handling ore underground. Particularly suitable where conditions are dusty and abrasive.

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Interim Progress Report On

AUMAQUE GOLD MINES LIMITED

This Progress Report is Published for the Information of Unregistered Shareholders

TO SHAREHOLDERS:

Your Directors are pleased to advise that J. P. Norrie, B.Sc., E.M., has become a Director of your company, and that he will also continue in the capacity of Managing Director. As you doubtless know, Mr. Norrie is particularly familiar with the Malartic-Bourlamaque gold fields, where he has established an enviable record of successes, and we feel that the company is very fortunate in having him closely identified with the enterprise.

On December 2nd, 1943, Aumaque was being traded on the Toronto Over-the-Counter Market at 17c-19c, compared with a subsequent 1944 high of $1.04 after the stock was listed on the Toronto Stock Exchange, when important diamond-drilling results were reported. At that time, we had the benefit of Mr. Norrie's report on the property, in addition to another report by a prominent Canadian Mining Engineer, and we then said:

"Most noteworthy is the fact that Aumaque is located right in the heart of a productive area where massive deep-seated gold mines already exist. It is situated in what is called 'elephant country' in mining parlance. Hence, it is logical to conclude that the requisite elements are present for attaining success. In fact, it seems manifest, on the basis of his report, that J. P. Norrie believes there is every chance for a successful operation."

How prophetic were these words has since been proven within the brief period of about six months. During that time, Aumaque has developed from a mine in the making to one with possibilities of becoming equally as important as its neighbors. In partial substantiation of this statement, it is interesting to note what The Northern Miner said in its June 22nd issue, as follows:

"Recheck and recapitulation of the Aumaque drilling results lead to the official statement that an orebody, under conditions identical with those of Lamaque, has been indicated. Length is at least 300 feet, open to extension, and grade better than $17.00. The location is 3,000 feet east of the boundary with Lamaque. The host is highly altered diorite, a typical local ore container. The intersections are several hundred feet down, suggesting the possibility of good backs."

Succeeding study of results gained by magnetometer surveys and surface trenching, Mr. Norrie adopted a diamond-drilling program which embraced testing of known oremaking conditions in three major geological structures, and a carefully executed plan quickly realized results, four consecutive holes returning the following ore intersections:

Hole	Intersection	Gold Per Ton
No. 46	10.0 ft.	$ 5.39
No. 43	20.8 ft.	9.62
No. 45	19.1 ft.	31.96
No. 48	13.2 ft.	10.70

It is the intersections in Holes 43, 45 and 48 which indicate an orebody 300 feet long, with average grade in excess of $17.00, subject to extension. The ore section in Hole 46 occurs at a higher elevation. Numerous other intersections at various points in all four holes were made, suggestive of a series of short narrow lenses, quite possibly leaders from a larger, more continuous ore shoot in the vicinity.

Holes 49 and 50 are of informative value only, cross-sectioning the zone to the boundary, for the purpose of determining structure and further possible ore occurrence. Drilling has been resumed in Hole 51, in which the rods which became stuck have been removed. This hole is designed to pick up the eastward extension of the orebody. Hole 52 has been deepened from 360 feet to 590 feet, while Hole 53 has been deepened from 680 feet to 730 feet, where it was completed. All the mineralized sections of the core have been sampled and results are awaited.

Due to forest fires, work had to be suspended and drills removed from the holes two days during the period, but work is now proceeding without interruption. As drilling progresses in this area, a clearer picture of rock formations is seen, and zones where values should occur are now known, which will tend to simplify sampling of the holes and take less time in getting out results.

The values, Mr. Norrie has pointed out, occur in association with pyrite, chalcopyrite and electrum, the last a white alloy of gold and silver in quartz veins up to 12 inches in width. These veins are very high grade and are distributed through a zone about 20 feet wide, which is easily distinguishable in the logs by the character of the mineralization. As in the producing mines in the district, Mr. Norrie says that actual mining widths are likely to be much greater than the widths in which the gold values occur.

Summarizing, it is important to note that a major orebody has been indicated by less than 6,000 feet of diamond-drilling in a very small part of the northwest area of Aumaque's property. The extent and distribution of gold deposition warrants anticipation of extension of the orebody and further disclosures of economic value.

A highly mineralized shear zone in the northeast area bears all the characteristics of similar occurrences which make ore elsewhere in the Bourlamaque District. A great granodiorite stock, similar to those which made orebodies at other mines in the immediate area, has been demarcated and awaits intensive probing.

Briefly, a negligible amount of work, when considered in relation to the magnitude of the property, has outlined two structures capable of providing orebodies of as great extent and value as those being mined at the neighboring operations. Meanwhile, there is available for the company's treasury the sum of $175,000.00 for the execution of its development program, with further large sums of money arranged for by option agreement.

In view of the outstanding results which have been attained in the development of your property to date, the management looks forward with great anticipation to the day when conditions will permit shaft-sinking and profitable production.

July 20, 1944.

Faithfully yours,

LLOYD R. MOFFATT,
President.

AUMAQUE GOLD MINES LIMITED
Excelsior Life Building, Toronto

Cochenour in Interesting Phase

New Work at Two Shafts May Presage Important Mine News

By GORDON M. GRANT

Heavy emphasis is being placed on exploration at Cochenour-Willans Gold Mines these days, an emphasis which may mean a significant expansion of known ore resources this coming year.

The new No. 2 shaft—located 2,400 ft. northeast of No. 1 shaft in the zone of the "south" band of sediments on the Kelson claims—has been completed to a depth of 450 ft. and four levels have been made available at 110, 235, 335, 435 ft. depths.

Crosscutting to the south in the first level has disclosed typical quartz carbonate ore structure with arsenopyrite mineralization and returning assays up to 0.5 oz. gold.

Similar structure has also been secured in stations at the second and third levels. Plans now call for immediate commencement of drifting along the south band of sediments, and crosscuts are to be driven to the northwest to test the north band of sediments.

Two Favorable Bands

Ore bodies of the Cochenour occur in two parallel zones of sediments which strike to the northeast and are approximately 800 ft. apart. It is the same sedimentary zones which are being investigated at the Kelson shaft as at the main mine a half mile to the southwest.

As reported previously in The Financial Post, diamond drilling on the Kelson claims in this section returned numerous ore intersections and chances are regarded bright for opening a "new mine" in the Kelson area. As ore intersections were relatively widely separated, considerable time will be required to investigate ore indications fully.

To Deepen Main Shaft

But the Kelson shaft is not the only place where important ore exploration work is to be carried out. Deepening of the main No. 1 shaft a further 300 ft. was scheduled to get under way this month and, depending on the supply of labor available, it may be completed before the expiry of the year. New levels are planned at 475, 575 and 675 ft. depth.

The present broad program of exploration does not stem from any failure of the present mine to respond to exploratory effort. It is an admitted fact that ore results on the original three levels have been far beyond anything at one time anticipated. However, the greater part of ore mined recently has been drawn from the second and third levels as the first level is close to depletion.

Good Ore Opened

During the year ended May 31, 1944, important ore lengths were opened up in drift advance on the second and third levels and by diamond drilling in the northeast part of the mine. On the third level Nos. 309, 311 and 319 ore bodies in the north band of sediments, have shown substantial ore lengths across widths of 4 to 10 ft. No. 309 ore body shows a length of 480 ft., a grade of .80 oz. gold and widths of 4 to 7 ft. No. 319 ore body is being stoped over a length of 320 ft. showing a grade of approximately an ounce gold per ton across 5 to 12 ft. Strong evidence of continuity to surface has been secured in diamond drilling and drift advance to the southeast on the second level in the No. 227 ore body. This last has a length of 120 ft., grades approximately 0.45 oz. gold per ton across widths up to 16 ft.

Ore bodies are complex and irregular but Cochenour has been notably successful in solving ore structure questions in recent years.

To Link Two Shafts

Drifting northeast from the No. 1 shaft at the third level has now been carried within 400 ft. of the No. 2 shaft and it is expected that the No. 2 shaft will be joined up within the next month or so. At a point 200 ft. east of the Kelson boundary, diamond drilling returned ore showings in two drill holes put out to the south. The westerly hole returned $8.40 across 5 ft.; $51.10 across 2.5 ft.; and $7.70 across 2.5 ft.; and at a point 25 ft. further south, $4.90 across 4.5 ft. and $21.00 across 5 ft. The second hole 50 feet further east returned $31.10 across 4 ft., this intersection being in line with the first intersections in the west hole. It may be significant that these intersections are well to the south of any previous ore disclosures in the mine.

Profits Lower Last Year

With production approximately $83,000 lower at around $1,016,000 for year ended May 31, 1944, and with operating costs swelled by the relative inefficiency of substitute labor and charges for the present development program, the net profits showed a reduction to approximately $285,000 for the year to around 10 cents a share. This profit compares with $448,972, or 15.2 cents a share, the preceding year.

Placing broad emphasis on development means that somewhat fewer men are available for production and monthly production has shown a lower trend recently.

While current profits may run lower, the present development program may have the important result of permitting substantial expansion of production rate when restrictions on milling rates are lifted. In the past, the company has never milled much more than 150 tons of ore a day, but mill capacity is in the neighborhood of 250 tons daily, and larger production would be comparatively simple of achievement when the overall mining operation has been placed in a position to guarantee delivery of the necessary ore to the mill.

Mining Concentrates

Aubelle Mines, whose shares were called for trading in the Toronto Stock Exchange last week, is carrying out diamond drilling on its property in the Mud Lake area on what is believed the projected strike of the Belleterre ore zone. Several strong veins have been exposed, General Manager J. P. Norrie reports, expressing the belief that other veins will also be discovered.

* * *

Callinan Flin Flon Mines advises shareholders to turn in share certificates to the Royal Trust Co., 66 King St. W., Toronto 2, to secure their allotment in Callinan Flin-Flon Mines (1939) Ltd., to which they are entitled. No transfer tax is payable. Shareholders are entitled to one share in the company for each four shares held.

* * *

Delcore Porcupine Gold Mines has commenced diamond drill testing of its central zone which is stated to show a length of 550 ft. averaging $8 across 10 ft. Present drilling is designed to test the zone at a depth of around 500 ft. Another earlier find to the west will also be tested. Stringers are reported in the latter over a width of 10 to 40 feet.

* * *

Goldrich Yellowknife Gold Mines which recently took over a large block of claims in the Yellowknife area from Goldwin Exploration Co. plans a substantial exploration program. Property covers the Duck Lake fault for 2½ miles; the Duck Lake fault parallels the main regional fault known as the Yellowknife Bay west fault. The two faults are a couple of miles apart. There is stated to be considerable low ground on the property which is regarded as promising from a geological standpoint.

* * *

Girard Lake Mines is carrying out an exploration program on its Mud Lake property, southwestern Quebec, west of Belleterre, which is to include 15,000 ft. of diamond drilling. Drilling is to be concentrated chiefly on the greenstone area to the east and along the north-south contact zone. A 12-ft. quartz vein has been opened up on the southwest part of the property, the company reports.

* * *

Hugh Malartic Mines resumed diamond drilling last week after interruption due to bush fires which swept through northwestern Quebec. Five drill holes have been located by C. O. Stee, the company's consulting engineer, and these are to be drilled as scheduled. Holes are to cross-section a diorite dyke. Encouraging values are reported to have been secured from drilling of similar diorite dykes on the neighboring Citralam Malartic and Norbenite Malartic properties.

* * *

Heath Gold Mines, which recently acquired Dupont-Hodgson claims in Red Lake from Coin Lake Gold Mines, is carrying out bulk sampling. Thirty trenches are to be sampled carefully to secure a picture of average grade. The trenches are stated to be from six to 20 ft. wide with considerable free gold in evidence. A length of 2,000 ft. has been indicated for the main zone stated to be still open at both ends. About $95,000 is reported in the company's treasury to finance current work.

* * *

Kayrand Mining & Development Co. has its development program in progress at its property six miles north of Amos, Que. Work is reported under way on the No. 1 shaft vein where an average of $15.75 a ton across 6 ft. for a length of 45 ft. is stated to have been secured. Work is also being done on other showings.

* * *

Nib Yellowknife has received word from its resident engineer, Norman Byrne, that work is going forward on the company's claims preparatory to diamond drilling which is to be started on a wide shear zone where a channel assay of 0.72 oz. across 20 ft. is stated to have been secured. Considerable work was done on the company's claims in the past, revealing favorable geological conditions, the group of 22 claims being staked in 1935.

* * *

Waite-Amulet Mines has declared a dividend of 20c. a share payable Sept. 11, to shareholders of record Aug. 10.

MINING THIS WEEK

No Tax Concession For Gold But Industry Still Hopeful

That Ottawa officials are not yet prepared to place gold mining in a "most favored" category was again demonstrated last week when Finance Minister Ilsley refused to extend the tax credit granted on contributions to the search for base and strategic minerals to prospecting for gold.

While this in a sense may have represented a "defeat" for the mining industry—just now more interested in the search for gold than for strategic minerals which are in fairly adequate supply—it still appears that the mining industry has good ground for anticipating some reduction in the present admittedly heavy tax load.

At the time of the budget the Finance Minister stated that what should be done about mining would be considered at the forthcoming conference with the provinces. The Ontario Government has been a strong supporter for revision in mine taxation and reduced taxes for mines may be one subject on which it will not be too difficult to secure an agreement between the Dominion and provinces, it is felt. It appears likely that the Dominion will be the chief loser from the revenue standpoint by any lowering of taxes.

* * *

Want Higher Depletion

The Ontario Mining Association and the Ontario Mining Commission proposal that depletion allowances on dividends—as a return of capital—should be increased from 33 1-3% to 50% for mining company profits and from 20% to 50% with respect to dividends received by individuals, has been supported by a number of members in the House of Commons recently. Undoubtedly such a change would be very satisfactory from the standpoint of the mining industry as far as presently operating mines are concerned.

It is estimated that the suggested change in depletion allowances would increase eventual returns to the shareholders by 30 to 50%.

Aid for New Golds?

Before the war, new gold mines were exempt from corporation tax for the first 3½ years' operations. This exemption, however, due to the need for strategic war materials, was shifted over to base metals and strategic minerals and the exemption was changed from the corporation tax of 18% to the excess profits tax.

No doubt the mining industry would like to have an exemption from corporation tax returned to new gold mines, but with the present high level of exploration activity, it appears doubtful that the Dominion Government could see its way clear to taking such a step. Eventually, however, with large sums of money needed to finance new gold mines to production, exemption from corporation tax for new gold mines may become desirable from the standpoint of both the mining industry and the Government.

* * *

Quebec Gold Output Off

Even Quebec, her gold production well maintained early in the war, has shown a sharp contraction in output recently. Production of gold for the first five months of 1944 totalled only 339,487 oz., compared with 422,781 oz. in the comparable period of 1943. April production was the lowest since 1937, but a small gain was recorded in May compared with April. However, May production was sharply lower than in 1943—67,501 oz. against 86,936.

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NOVA SCOTIA

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Fully alive to the mining industry's vital importance to the war effort, the Nova Scotia Department of Mines is continuing its activity in investigating the occurrences of the strategic minerals of manganese, tungsten and oil. It is also conducting field investigations with diamond drilling on certain occurrences of fluorite, iron-manganese, salt, molybdenum, dolomite and limestone to aid in their increased development.

THE DEPARTMENT OF MINES
Halifax

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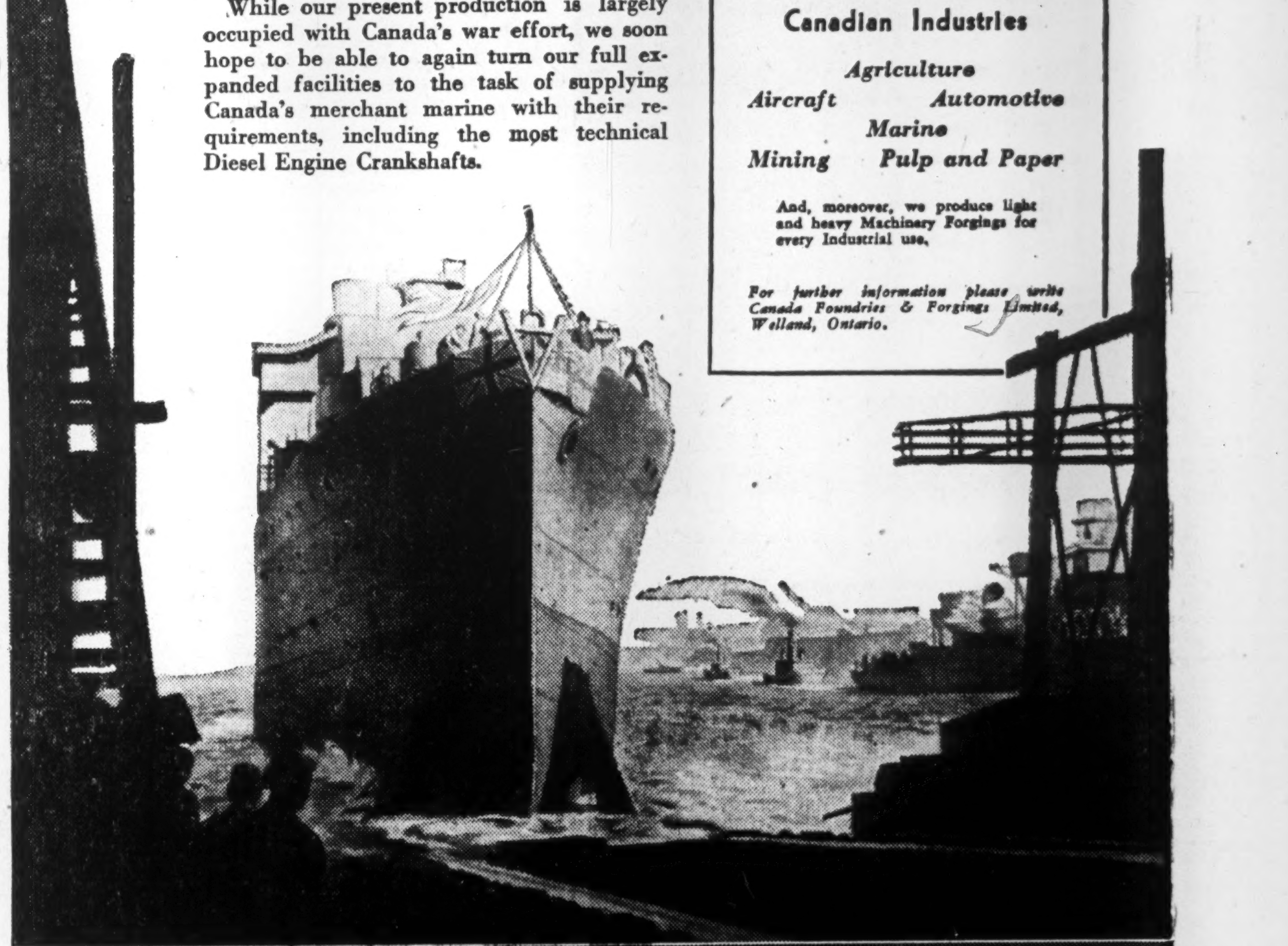

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Madsen Creating New Levels

Shaft Already Below 1,700-ft. Horizon

Another two months should see the present program of shaft sinking at Madsen Red Lake Gold Mines completed. The opening is being extended from its previous bottom at 1,325 ft. with the eighth level station at 1,250 ft. to a total depth of 1,900 ft. New levels are to be established at 1,400, 1,550, 1,700 and 1,850 ft.

Sinking has already been carried to below the 1,700-ft. level. Lateral work at the eighth level is expected to be under way later this year. It is estimated that 500 ft. of crosscutting will be necessary to reach the zone with 600 ft. of drifting required along the zone to reach the projection to depth of the main ore bodies.

Drill Results Promising

Contingent on an adequate supply of labor, depth exploration west and east on the lower levels will be undertaken. In connection with the depth program, a series of drill intersections from the seventh level below the No. 7-10 stope are of significance as to the downward extension of ore. From west to east, these intersections—at 100 to 125 ft. below the level—are as follows: 0.334 oz. over 23 ft.; 0.385 oz. over 14 ft.; 0.338 oz. over 35 ft.; and 0.360 oz. over 35 ft. The No. 7-10 stope is at present being mined over a length of 410 ft., widths varying from 18 to 60 ft. and averaging 28 ft.

Depth Values Better

Development in ore bodies at the lower levels has been indicative of an improvement in gold content for ore at the lower levels and this has been reflected in production returns since the middle of last year. In the three months ended May 31, 1944, production showed considerable improvement, which, however, cannot be expected to be maintained throughout the current fiscal period. Ouput for the quarter was $400,883 from 36,492 tons of ore, an average recovery of $10.99 a ton. This contrasts with output value of $1,284,977 for the full year ended Feb. 29, 1944.

Opening of new levels should greatly assist in strengthening the ore position which was somewhat reduced last year owing to the labor shortage. As at Feb. 29, 1944, reserves totalled 726,065 tons averaging 0.201 ounces gold per ton, a decrease of 81,200 tons from the year previous. The reserves were sufficient for five years' milling requirements at the current rate of production.

For several years, the Madsen property has been regarded as one warranting a substantial increase in mill capacity. Shortage of labor to prosecute development vigorously and numerous restrictions on expansion, however, have prevented any progress in this direction. Opening of new levels will provide further places for drawing ore, however, which should simplify matters as far as expansion is concerned after the war.

Stoping of ore is stated to have been practically completed to the third level and stoping of the wider sections of the main ore bodies on the 5th, 6th and 7th levels by diamond drill blast hole methods is now being carried on with satisfactory results. This permits substantial quantities of ore to be made available at low cost and with minimum use of manpower.

Working Capital Up

Working capital was increased by $210,000 to $1,095,405 as at Feb. 29, 1944, after distribution of $209,972 or 6 cents a share in dividends during the year. Operating profit for the year totalled $678,906, or $4.71 a ton.

In the first quarter of the current fiscal year—the three months ended May 31, 1944—operating profits, reflecting the high rate of production, totalled $262,720. This operating profit was so substantial that even modest results for the balance of the year may mean earnings comparable to the $359,096 or 10.26 cents a share realized year ended Feb. 29, 1944.

Peace R. Oil Hunt Active

Socony Vacuum and Other Large Corporations Have Men in Field

From Our Own Correspondent

VANCOUVER. — Reports from Fort St. John indicate that exploration for metals and oil in the Peace River country is more active this season than ever before.

Several large corporations are known to be represented in the search for oil, although the release of the oil and coal reserves of British Columbia by the Hart coalition government did not create any sudden rush because the program was pretty well known in advance of the announcement.

Dr. W. I. Wright and party of the Socony Vacuum Oil organization have been studying oil prospects on the Minaker River and along the route of the Alaska Highway.

Drilling May Follow

An Ottawa geological party under Dr. E. G. Hage has been operating in the Nelson River area, and Dr. M. Y. Williams of the University of British Columbia has been working out of Mile 367, also on the highway.

Oil is said to occur near Buckinghorse River's headwaters, but only drilling will determine whether it is in commercial quantity. Some parties are working out of Dawson Creek on the other side of the Peace River.

While drilling for water on a public works machinery depot site, a district engineer is reported to have struck oil, but the government halted drilling in view of its own regulations on reserves.

There is a much more favorable attitude towards the prospects of oil in the Peace since development of the Norman fields, further north.

OIL WELLS THIS WEEK

Conrad Well Encourages OilComes from Ellis Sand

From Our Own Correspondent

CALGARY. — The California-Standard Co.'s discovery well more than 23 miles southeast of the Taber oilfield has been placed on pump with a daily recovery of about 145 bbls. of 25.2 to 25.7 gravity crude oil.

The well started on pump at 10 p.m. July 15, yielding 121 bbls. of clean oil in 10 hours to 8 a.m. July 16; followed by 168 bbls. in 23½ hours in the day ended 8 a.m. July 17; 152 bbls. in the full 24 hours ended 8 a.m. July 18; 146 bbls. in 23½ hours to 8 a.m. July 19; and 143 bbls. in 23½ hours in the day ended 8 a.m. July 20. The oil is clean, with no formation water in evidence.

This important discovery well—best Alberta plains producer yet placed on steady production outside the Taber oilfield—is Standard's Conrad-Province No. 2. It is producing from the Ellis sand between 2,960 and 2,972 ft. The oil is about seven degrees lighter than the Taber product, and contains a higher proportion of gasoline.

* * *

Another Highwood Test

Providing a second new development for the Highwood uplift this month, the Transcontinent Oil Co. Ltd. last week announced the first of two wells to be drilled by it on this body of Madison limestone flanking Turner Valley to the west and extending several townships to its south.

Transcontinent No. 1 well has been staked in the centre of the southwest 10 acres of LSD 4 36-18-3w5, about 1,050 ft. south and 820 ft. east of the old Northwest-C. & E. well. This old well, drilled in 1929, is believed to be down the west flank of the narrow anticline whose crest is to be sought by Transcontinent. The well reached the Madison lime at 2,494 ft., entered a porous zone showing oil at 2,535 ft., with water in zones at 2,650 and 3,000 ft. The well was drilled prior to development of acidization, and adequate test of commercial possibilities cannot therefore be considered made. The Transcontinent well is expected to reach the Madison around 1,800 ft., in the opinion of the company's geologist, Dr. J. O. G. Sanderson.

Transcontinent is a new company backed by Toronto, Montreal, New York and Chicago capital, headed by the interests back of Major Oil Ltd., a company now developing in the Taber area. The company holds about 15,000 acres on the Highwood uplift, extending from twp. 19 rge. 3w5 southeastward to twp. 17 rge. 2w5, the south boundary adjoining to the north of the Duke of Windsor's E. P. Ranch, which is to be drilled by the Duke and associates under a program announced last week.

* * *

Royalite Well Flows Oil

Royalite No. 75, important deep test on the northwest flank of Turner Valley, completed drilling July 18 at 8,537 ft., 237 ft. in the Madison limestone, after penetrating the upper porous zone only. The well was kicked off July 19 with an initial oil flow of about 35 bbls. hourly, and a gas-oil ratio of 1,200 cu. ft. per bbl. The well, in LSD 6 2-20-3w5, looks like a better than average producer despite the fact that the Madison elevation is 4,211 ft. below sea level, close to the water danger line in this part of the field. No formation water appears to be present in the heavy initial oil flow from the well.

* * *

Imperial-B. D. Well in Oil

Imperial-British Dominion-Conrad No. 2 well, northeast offset of this team's No. 1 discovery well, was starting production test this week with all indications pointing to a commercial oil producer. The well is about 12 miles north of the Standard Conrad-Province No. 2 discovery well, and nine miles southeast of the Taber oilfield.

The Taber sand was reached at 3,171 ft., and drilling was halted at 3,178 feet. with about five feet of oil saturation showing. A drill-stem test showed a fluid rise of about 1,000 ft. in one hour, fluid consisting of about 940 ft. of 20 gravity oil and 60 ft. of drilling mud. No formation water was reported evident.

A subsurface geological reservation covering 9,275 acres of crown rights in the Waite Valley area has been taken out by Fred A. Schultz, Calgary oil operator. The block flanks the north part of Turner Valley to the west, and is northwestward along the line of the Highwood uplift. On the basis of preliminary geological investigation, the Madison limestone on the Schultz block is looked for around 2,400 ft. Initial well on the new block is expected to be staked in the near future. Mr. Schultz states that the block is to be reserved for the benefit of Major Consolidated Oils, a new company active in south Turner Valley (Major National 16 well).

List Belleterre Toronto Exchange

Shares of Belleterre Quebec Mines—a subsidiary of McIntyre Porcupine Mines—were called for trading in the Toronto Stock Exchange, July 25, with ticker abbreviation BEL. Incorporated July 12, 1937, Belleterre Quebec Mines up to March 31, 1944, had produced $7,671,420 from 618,088 tons of ore milled, an average recovery of $12.41 a ton.

Ore reserves on March 31, 1944, were 634,852 tons, with an average value of $11.97 a ton, or a total of $7,598,494. During the year ended March 31, 1944, the mill treated 111,928 tons with a total recovery of $1,626,122.

Year Book on Oils Published in U. K.

The Oil and Petroleum Year Book, 1944 edition, published in the United Kingdom, and just available, provides details of operations of 537 oil companies—producers, refiners, dealers, etc. American and foreign companies are dealt with, besides those in which United Kingdom investors are interested.

Particulars include names of directors and other officials, details of operations, capital stock, dividends, earnings and financial position.

The book is published by Walter E. Skinner, 20 Copthall Ave., London E.C.2, England, the price being 12/6d net; 13/6d post free abroad.

Peribec Gold Mines, with property of 20 claims, 800 acres, in Pershing twp., Quebec, is expected to commence diamond drilling following further surface exploration now under way. President is T. J. Day, Toronto barrister, and treasurer, G. E. Buchanan, Toronto banker.

Lavalie Working On Nos. 6 & 8 Drill Holes

Drilling is continuing at Lavalie Mines with No. 7 hole completed recently and holes No. 6 and 8 now being drilled.

No. 7 hole was finished at 402 ft., vein being intersected with a width of 4½ ft. at a depth of 350 ft.

Hole No. 8 is 50 feet east of vertical hole No. 5 (which cut values at a depth of 200 ft.) and is designed to check the values secured in the No. 5 hole. The hole was started July 14 and is stated to be in altered diorite porphyry, showing pyrite and chalcopyrite mineralization.

Some delay has been experienced with the No. 6 hole due to a shortage of hose. This condition has been corrected however, and it is hoped to encounter the ledge very shortly.

Brown Corp. Contract Let to Foundation Co.

From Our Own Correspondent

MONTREAL.—Foundation Co. of Canada has received the general contract for construction of a new one-story addition at the plant of Brown Corp. at LaTuque, Que. The addition, which will be used in part for pulp storage service, will cost over $200,000.

Mining Concentrates

Macfort Gold Mines is a new company formed to explore a group of claims in the Wasa Lake area adjoining Renfort Gold Mines on the west. Financing is stated to have made available funds for a diamond drilling program to test a shear zone from which good values were reported in surface exploration. Three trenches east of MacDonald Lake are reported to have given values as follows: No. 1 trench $16.45 over 5 ft. and $18.55 over 4 ft.; No. 2 trench, $9.80 over 3 ft.; No. 3 trench, $9.10 over 1.1 ft., $14.70 over 3 ft. and $6.30 over 3 ft. Initial drilling will consist of a series of holes to probe beneath ore indications obtained in these trenches. President is Viola MacMillan, also president of the Prospectors' and Developers' Association.

* * *

Scott Chibougamau Mines is stated to have completed a preliminary examination of its optioned Gauthier property, which adjoins Upper Canada Mines on the east. There is claimed to be a good chance of picking up extension of the favorable ore formation of Upper Canada Mines on the Scott property. The west section of the property also contains a large contact, not previously explored, which is being drilled north of the Gauthier property by Northland Mines. A report on the Gauthier property is now being completed and it is anticipated directors will determine how much preliminary diamond drilling is needed after receipt of this report.

* * *

Scout Pershing Mines is raising money for an extensive diamond drilling program for its property in the Pershing district, Quebec. The Scout property touches the northwest corner of the Croinor Pershing property. Companies in the Pershing district are stated to plan quite an elaborate program of work, assisting each other in a geological survey of the region. Diamond drilling is to be carried out by individual companies, however.

* * *

Unigo Mines is arranging a diamond drilling program for three of its nine groups of claims in northwestern Quebec with work to commence just as soon as satisfactory crews become available. Preliminary exploration has been completed on each group—the Nos. 2, 7 and 9. No. 2 group of eight claims in Dubuisson twp., about a mile west of Val d'Or, is reported to have geology favorable to gold deposition. It adjoins the Legault claims of Sullivan Consolidated Mines. No. 7 group of 17 claims is in the northeastern part of Malartic twp., adjoining south of Lapalartic Mines, No. 9 group in Vauquelin twp. of 23 claims ties on to Raymond Tiblemont where interesting gold values are reported.

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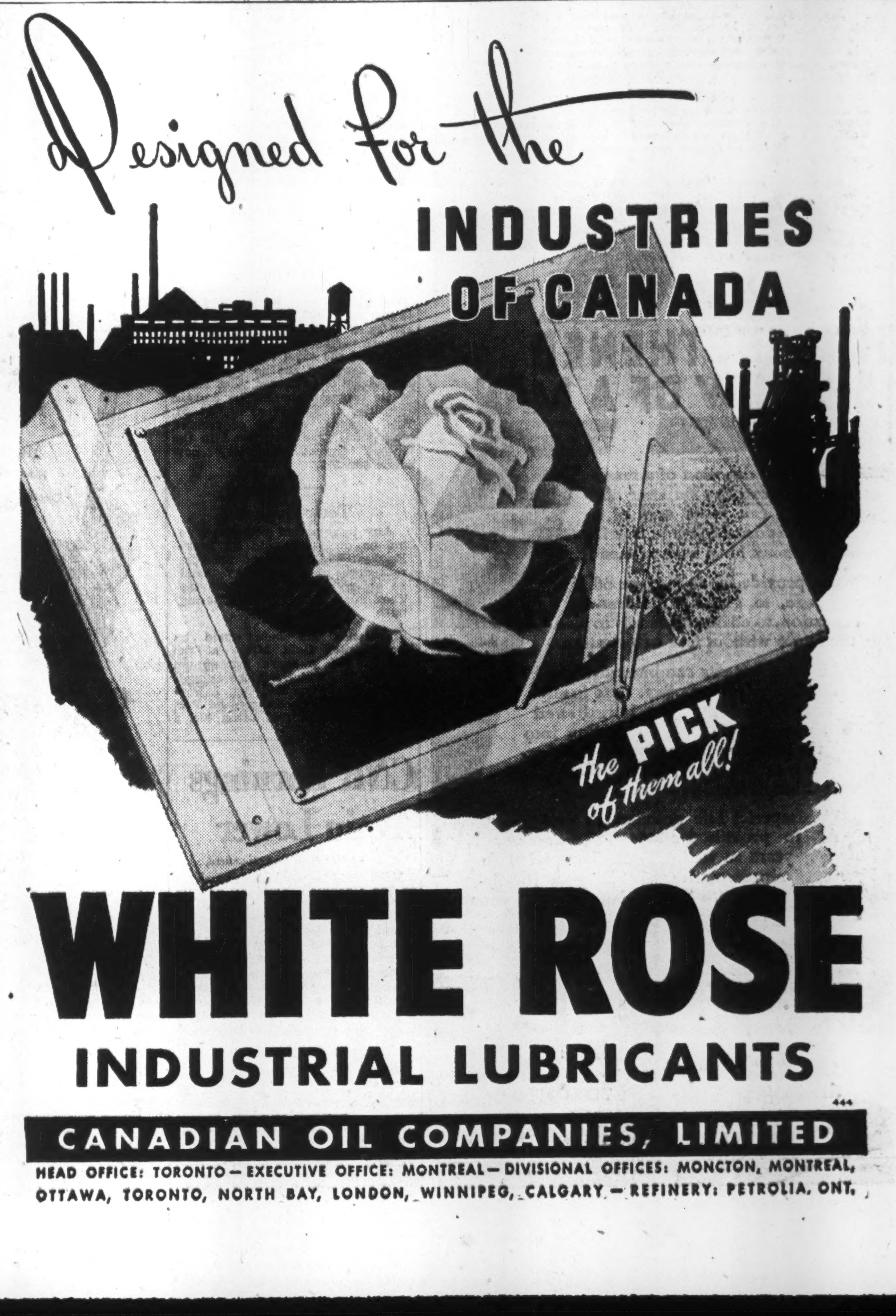

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We Have Been Asked

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INCOME TAX

Investment Income

I own some houses which I rent, my total income therefrom being about $2,000 a year. During the year I have to give considerable attention to the various properties. Am I liable for surtax?

Yes. The income from the property will be regarded as investment income and accordingly you will be liable for surtax on the income over $1,500.

Husband in Army

My husband is in the army and has no income tax to pay. I am working but am taxed as a single person. We have two children. Can I take credit for them as dependents against my income tax?

Yes. You are allowed to deduct $108 for each child from the amount of tax due. Previous to the dropping of the compulsory savings portion of the tax, if you paid any of your husband's life insurance premiums you would be allowed to set them off against the compulsory savings portion of the tax.

INVESTMENTS

Coin Lake

Shares of Coin Lake Gold Mines have been recommended to me as an interesting speculation. What properties has the company and what is it doing at the present time?

Coin Lake Gold Mines has been active recently in the search for new mines with operations centring in the Red Lake area, where the company is considered to have some well-located property. Altogether the company has seven groups of claims, two of which are in the Red Lake area, four in the Lightning River area, and 54 claims, one group, at Keezhik Lake, all in Ontario. Extensive exploration of the Red Lake ground is being carried out this year and diamond drilling at Lightning River.

The company's optioned Dupont-Hodgson ground was recently turned over to a new company called Heath Gold Mines, with Coin Lake receiving 450,000 shares for its interest in the claims. In addition Coin Lake purchased 250,000 additional shares of stock for $60,000.

At the end of 1943, the company had $30,862 in cash, securities with a market value of $199,820, Dominion bonds worth $10,050 and other securities totalling $19,189. Current liabilities were $891. Then the company had 2,818,255 shares outstanding. At present 105,000 shares are reported under option for a total of $14,800, if the option is completely exercised.

Harding Carpets

What caused the decline in working capital of Harding Carpets in 1943? How have earnings been and what does the prospect appear to be for after the war?

Harding Carpets acquired the balance of the outstanding stock of Guelph Carpet and Worsted Spinning Mills in 1943, and the investment of almost $330,000 further in this subsidiary was reflected in a decline in working capital of over $250,000 to $86,332 as of Oct. 31, 1943.

Net profit, on an unconsolidated basis, for the year ending Oct. 31, 1943, totalled $49,653 or 28c. a share on the company's common stock. This was considerably below the ceiling permitted the company under the excess profits tax.

Wartime problems continue to affect operations, reducing profit margins, but the management looks forward to improved conditions when restrictions on labor and materials are modified. Production and sales were smaller in 1943 and a sharp reduction in inventory was shown at the close of last year.

The company has no bonded indebtedness or preferred stock ahead of its common shares but current liabilities of $398,604 as of Oct. 31, 1943, included $288,700 of secured bank loans. The investment in the Guelph Carpet subsidiary now totals $699,377.

Teck-Hughes

Any information you can give me on dividends paid by Teck-Hughes Gold Mines and the current status of the company would be greatly appreciated. Does the Teck mine appear to be petering out?

Dividends are being paid by Teck-Hughes Gold Mines at the rate of 30c. a share per annum payable 10c. a share thrice annually—on Feb., June and Oct. 1. Payments at this rate commenced Feb. 2, 1942, previous rate being 40c. a share plus extras. Up to the end of 1943, the company had paid $39.5 millions, the highest distribution in any one year being in 1932 when 65c. a share was appropriated for dividends.

Margin of profts being realized at the Teck mine is now quite small—due partly to ore depletion, partly to the wartime shortage of labor—the chief source of income being dividends from Lamaque Gold Mines. Earnings in the four months ended April 30, 1944, were 6.7c. a share.

While the company has not been very active in field work recently, the management has shown a "nose for ore" in the past and with working capital aggregating over $3 millions, the possibility of finding further properties at some time in the future must be regarded as an important factor in evaluating the company's shares. Lamaque was fortunate in increasing its ore reserve last year thereby improving the outlook for Teck-Hughes.

Canadian Locomotive

Will you please inform me how Canadian Locomotive has been doing recently? Do you see any possibility of dividends on the common shares?

Marked progress has been shown by Canadian Locomotive Co. in recent years and an order received recently for 75 locomotives for export, with further orders pending, will assure capacity operations until late in 1945, it is stated. Current earnings are expected to compare favorably with figures for 1943.

While net profit in 1943 was only $43,073 or $1.08 a share, including the refundable portion of taxes, net profit was $313,659 or over $7 a share.

Sinking fund requirements on the company's bonds are expected to be completely met by Aug. 1, making payment of dividends possible. Including refundable portion of taxes, surplus was $504,170 at the end of 1943 and working capital amounted to $1,131,369, the working capital figure, of course, not including $372,586 of refundable taxes which the company will receive back after the war. The company has $1,000,000 of Dominion Bonds among current assets and working capital is such that a distribution on the common shares should be possible if directors should feel it desirable to make one.

APPOINTED

Arthur Pedoe, F.I.A., F.A.S., who has been appointed actuary and secretary for Canada of the Prudential Assurance Co. of London, England. Mr. Pedoe has been in the company's Canadian employ for the past 14 years, joining it in 1930, when he was appointed actuary for Canada.

CNR Earnings Again Lower

From Our Own Correspondent

MONTREAL.—Operating revenues of the Canadian National Rys. in June again showed a decline from last year, with net after expenses down nearly $1 million from corresponding 1943 month.

For the first six months of this year, gross revenues were higher than year ago by over $3 millions, due to gains in early months of the year, but increased costs resulted in cumulative decline in net of nearly $4 millions, as compared with first six months of 1943.

Comparative figures follow:

June:	1944	1943	Decrease
Op. revs.	$37,389,000	$39,260,000	$1,871,000
Op. exp.	28,954,000	29,892,000	938,000
Net op. rev.	8,435,000	9,368,000	933,000
Six months:			
Op. revs.	213,579,000	210,484,000	*3,095,000
Op. exp.	172,596,000	165,549,000	*7,047,000
Net op. rev.	40,983,000	44,935,000	3,952,000

*Increase.

Standard Clay Closes Plants

From Our Own Correspondent

MONTREAL. — Due to the labor shortage and high absenteeism, Standard Clay Products, Ltd., has closed down its New Glasgow, N.S., plants for an indefinite period. The low output, it was stated, made it "absolutely impossible" to continue operations at the present time.

The company has a considerable amount of clay pipe in storage there and the office staff will remain intact until this pipe is disposed of. The market for clay pipe, it is stated, has declined lately, as airport construction work is now largely completed and few municipalities are doing sewer and like work right now.

The company announced that the plant may be reopened at some later time, if the market for clay pipe revives, and sufficient labor is obtainable for profitable operations.

Standard Clay Products owns three plants at St. Johns, Que., in addition to the two plants in New Glasgow. Most of 1943 operations at the local plants were only 40% of normal production, and the company wound up 1943 with a loss of $46,034, after charges, against profit of $24,636 in 1942.

New Group Controls Canadian Converters

From Our Own Correspondent

MONTREAL. — New interests, who acquired controlling interest in the stock of Canadian Converters Co. Ltd., through open market purchases and a special offer to shareholders during the past year, elected a complete new slate of directors at the annual meeting.

The new directors are: George B. Foster, K.C.; H. C. Flood; Henri Geoffrion; Thomas M. Barrington, F.C.I.S.; Lazarus Phillips, K.C.; G. L. Prime, and D. S. Dubin, C.A. Of these, only Mr. Barrington, secretary-treasurer of the company, was on the previous board.

New officials have been elected as follows: H. C. Flood, president; D. S. Dubin, vice-president; T. M. Barrington, secretary-treasurer.

The new president announced that no changes are contemplated in the general employee organization of the company, and operations will be continued as heretofore, with object of maintaining and extending the company's goodwill among employees and the trade, plus the added objective of increased efficiency wherever possible.

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